FBIS DAILY REPORT CONTENTS

Latin America

Vol VI No 110 *6 June 1984*

ARGENTINA

President Receives Socialist Party Leaders B 1
Socialist Confederation Faction Meets Alfonsin B 1
Mayorga Cited for 'Fresh Outburst of Extremism' B 1
[BUENOS AIRES HERALD 1 Jun]
Jurisdiction Dispute Goes to Supreme Court B 2
[BUENOS AIRES HERALD 1 Jun]
Rocket Launchers, Other Items Among Stolen Arms B 3
Daily Analyzes Beagle Channel Negotiations [LA NACION 5 Jun] B 3
CP's Fava Discusses Position, Administration B 5
[East Berlin NEUES DEUTSCHLAND 25 May]
Briefs: New Provincial Cabinet; Ambassador to Vietnam B 7

BOLIVIA

U.S. Envoy Asked To Make Changes to Arms Accord C 1
Foreign Minister Denies Argentine Loan Report C 1

BRAZIL

Figueiredo Will Not Accept Extension, Reelection D 1
Quito Document To Be Used in Debt Renegotiation D 1
[JORNAL DO BRAZIL 4 Jun]
Foreign Minister: Will Not Ask for Moratorium D 2
Justice Minister Vetoes PCB Statute Publication D 2
[O ESTADO DE SAO PAULO 31 May]
Further Reportage on Foreign Arms Shipments D 2
Army General on Sales Policy [O ESTADO DE SAO PAULO 2 Jun] D 2
O ESTADO on Sales to Iraq [O ESTADO DE SAO PAULO 1 Jun] D 3
Navy To Commission Seized U.S. Fishing Boat D 4
Admiral Discusses Purchase of Exocet Missiles D 5
Army Tests Computer for Artillery Firing [JORNAL DO BRAZIL 4 Jun] D 5

CHILE

Economy Minister Discusses Sacrifice, Recovery E 1
[EL MERCURIO 25 May]
Escobar Addresses Nation on Economic Policy E 2
National Action Movement Elects Leadership [EL MERCURIO 30 May] E 7
AD-PCCH Dialogue Provokes Criticism, Concern E 7
CNI Arrests Two Communist Party Members E 8
Police Defuse Bomb at Opposition Leader's Home E 8
Valdes Denounces 'Plot' E 8

COLOMBIA

Soviet Union Asked To Purchase More Coffee F 1
FARC To Meet With Truce Oversight Committee F 1
Clash Despite Truce F 1
ELN Condemns Attack on CARACOL Radio Station F 2
Drug Trafficker Fined, Investment Plan Disclosed F 2

PERU

Teachers Strike, Public Servants To Follow J 1
Paris Club Debt Renegotiations 'Successful' J 1
Narcoterrorists Build Bastions in Amazon Region J 2
Shining Path Clashes With Civil Guard, Army J 2
Group Captured by Guard J 2
Shining Path Kills Two J 3
46 Presumed Terrorists Killed J 3
Briefs: New Well in Production J 3

MEXICO

President, Others on National Finance Program M 1
Nicaraguan Ambassador on Desire for Peace M 1
SECOFIN Official on Trade Surplus, Foreign Trip M 2
IMF Loan Policy Seen as 'Sheer Madness' [UNOMASUNO 2 Jun] M 2
Oil Prices Remain Stable Despite Rumors of Rise M 3
Foreign Secretariat on Policy Options, Part 2 [UNOMASUNO 12 May] M 4
Student, Union Groups Demonstrate in Capital M 5

PANAMA

Ardito Barletta Receives Congratulatory Messages N 1
Figueiredo, Mitterrand [LA ESTRELLA DE PANAMA 30 May] N 1
Singh, Zhivkov [LA ESTRELLA DE PANAMA 1 Jun] N 1
Ecuador's Hurtado N 2
Carstens, Thatcher, D. Ortega [LA ESTRELLA DE PANAMA 3 Jun] N 2
Parties Protest Postponement of Elections N 3
Republican Party [LA ESTRELLA DE PANAMA 4 Jun] N 3
Popular Action Party [LA PRENSA 6 Jun] N 4
Briefs: New Ambassador to India; S. Korean Army Commander Visits N 4

CENTRAL AMERICA

COSTA RICA

Reportage on Developments in Pastora Bombing P 1
Warrant for Journalist's Arrest P 1
Police Dismiss ETA Role P 1
Export Council Official on L.A. Debtors' Front P 2

EL SALVADOR

Foreign Minister Discusses Position on Contadora P 2
Deputy Minister for Security on New Office P 3
[EL DIARIO DE HOY 4 Jun]
National Police Report on 1979-83 Activities P 4
[EL DIARIO DE HOY 3 Jun]
Commander on Rebel Activity, Civilian Cooperation P 5
COPREFA Reports FMLN Casualties in Clashes P 7
Political-Military School Praises Dead Militant [Venceremos] P 7

GUATEMALA

Populist Party Leader on Talks at U.S. Embassy P 8
Army Expects Guerrilla Actions Against Elections P 8

Civil Defense Stops Helicopter at Border P 9
Subversives Seize Farm, Kill Administrator P 9

HONDURAS

Editorial Criticizes U.S. Military Presence P 9
Armed Forces Said More Conciliatory Toward Labor P 11

NICARAGUA

COHA Director Cited on Reagan 'Publicity Stunt' P 12
Commentary on Conditions for Talks With U.S. P 12
Humberto Ortega Announces Defense Support Measures P 13
Daniel Ortega on European Role, U.S. Elections P 14
[Brussels LE SOIR 2-3 Jun]
Cuban Denial of ETA Role in Attack Reported P 16
Lack of Duarte Invitation 'Unfriendly Gesture' P 17
[BARRICADA 31 May]
Warning Shots Fired at Civilian Aircraft P 17
Tomas Borge Addresses Meeting on Public Health P 18
On Actions Against Priests P 18
Criticizes Complaining Doctors P 18
Culture Minister Returns From Venice Conference P 18
PPSC Gives FSLN 30 Days To Redefine Unity P 19
Socialist Leader Cautions Opposition Parties P 20
Interior Ministry Units Attend Election Seminar P 20
Salvadoran Refugee Praises Country, Cooperative P 20
Radio Reports on Army Clashes With Contras P 21
FDN Leader Says Fighting 'Intensified' P 23
[San Jose LA REPUBLICA 30 May]
Briefs: Corinto Port Activities P 23

CUBA

Jackson Invited by Castro, To Visit in June Q 1
Ministry Denies ETA Role in Pastora Attack Q 1
Recent Developments in Pastora Bombing Noted Q 1
Havana Notes Significance of D-Day Invasion Q 2
Envoy Holds Talks With Cypriot Foreign Minister Q 2
Romanian Assembly Leader Arrives for Visit Q 2
Meets With Rafael Rodriguez Q 2
Fernandez Mell, Others Decorated in Havana Q 3
Tobacco Trade Agreement Signed With Spain Q 3
Countries Receiving Cooperation in Fishery Field Q 3
'Grenadier I' Seen as 'Prelude' to Intervention Q 3
Salvadoran Archbishop Demands Respect for Rights Q 4
El Salvador's Ungo Stresses Need for Dialogue Q 4
FMLN Warns Honduran Regime on Incursions Q 4
Denounces Honduran Raid Q 4
FBI Said Training Salvadoran Army, Police Units Q 4
FMLN Reports Attack on Communications Center Q 5
Salvadoran Army Suffers 25 Casualaties in Clashes Q 5
Commentary Notes 'Corruption' in Guatemalan Army Q 5
Nicaragua's Borge: U.S. Wants World Hegemony Q 6
Nicaragua's Central Bank President on Debt Q 6
Soviet Union Donates Wheat to Nicaragua Q 6
Borge Discloses Offensive Against Contras Q 6
Fighting, Casualties Noted in Nicaragua Q 7

Contras Attack Ocotal Q 7
Further on Ocotal Attack Q 7
Contra Deaths, Drug Use Noted Q 7
207 'Mercenaries' Killed Q 8
Dominican Republic Fails To Unblock U.S. Aid Q 8
Killing of Mexican Journalist Reported Q 8
President Vows Punishment Q 8
CTM Blames CIA, Rightists Q 9
U.S.-Financed 'Sects' in Mexico Protested Q 9
Union Achievements Reported in Bolivia Q 9
Bombings, Damage Reported in Chilean Capital Q 9
Plan Cited To Ban Leftist Group in Chile Q 10
Commission Formed To Oversee Truce in Colombia Q 10
Members Sworn In Q 10
Lima's Radio Imperial Station Occupied Q 10

CARIBBEAN

Caricom Ministers To Meet 6 June on Trade S 1

BARBADOS

St John Calls for Caricom Trade Policing S 2

GRENADA

Ex-Minister Radix' Home Fired At, No One Hurt S 3
Augustine Claims Split Among Bishop Supporters S 3

JAMAICA

Government Asks Paris Club To Reschedule Debt S 4
[THE DAILY GLEANER 26 May]
IMF Suspends Consideration of Credit Application S 5
Seaga To Visit London 13-15 June for Talks S 5

GUYANA

Foreign Minister Discusses Caricom Issues T 1
Prospects for Trade With Dominica Said Excellent T 2

PRESIDENT RECEIVES SOCIALIST PARTY LEADERS

PY060005 Buenos Aires TELAM in Spanish 1456 GMT 5 Jun 84

[Excerpt] Buenos Aires, 5 Jun (TELAM) -- Leaders of the Authentic Socialist Party today conveyed to President Raul Alfonsin their satisfaction over the political dialogue and stressed the need to achieve a popular action agreement with a minimum duration which is to be formalized and publicly and expressly ratified. This is what Enrique Inda, secretary general of the Authentic Socialist Party, told the press at Government House after he met with the chief of state along with leaders Carlos Perez Funes, Oscar Borgonovo, Mario Mazzitelli, Victor Outeda, and Adrian Camps.

Concerning the foreign debt, Inda stated that this is a national and Latin American cause. Inda said that no renegotiation with the IMF should be accepted but that the nation must deal directly with the creditor banks.

SOCIALIST CONFEDERATION FACTION MEETS ALFONSIN

PY052355 Buenos Aires TELAM in Spanish 1752 GMT 5 Jun 84

[Excerpt] Buenos Aires, 5 Jun (TELAM) -- Representatives of the Hector Polino faction of the Argentine Socialist Confederation today told President Raul Alfonsin that the new union reorganizatin law should ensure that minorities are represented on the executive boards of the labor unions.

The Socialist leaders also told the chief executive that the coming union elections must be overseen by commissions democratically elected by the rank and file and not by the current union leadership or normalizing commissions.

During a meeting held today at Government House within the framework of the ongoing political dialogue, the Socialist leaders explained that elections at labor unions should be organized from the bottom up, that is, beginning with the delegates of each establishment and going on to boards of delegates all the way up to federation leaders.

The delegation of the Argentine Socialist Confederation which arrived at Government House was headed by Hector Polino, who is also under secretary for cooperative affairs at the Economy Ministry, and made up of Ramon Soria, Roberto Campbell, Jose Zajarevich, Ricardo Ares, Roberto Galano, Antonio Rodriguez Cabrera, and Jose Carletti.

After the meeting with the president, Polino told the press that they were leaving satisfied with the answers which they received from the president and Interior Minister Antonio Troccoli regarding their concerns.

MAYORGA CITED FOR 'FRESH OUTBURST OF EXTREMISM'

PY011850 Buenos Aires BUENOS AIRES HERALD in English 1 Jun 84 p 11

[Text] (NA-DYN) -- Defence Undersecretary Horacio Jaunarena yesterday described recent statements by Retired Rear-Admiral Horacio Mayorga as "a fresh outburst of the extremism...which in recent years subjected Argentina to violence and intolerance." Mayorga was also criticized in yesterday's Congress session for accusing the National Commission on the Disappearance for Persons (CONADEP) of "anti-military" and "leftist" sympathies.

Jaunarena contrasted Mayorga with the military units who peacefully joined the people in celebrating Army Day on May 29. In a reference to the fact that Mayorga is defending Retired Rear-Admiral Ruben Chamorro who faces charges of human rights violation in an Armed Forces Supreme Council court-martial, Jaunarena said "I'm pleased that Mayorga is using a right (to free speech) which he could not have used when his client Rear-Admiral Chamorro was in power." However, he regretted he had confused defence with attack.

Jaunarena doubted Mayorga would be subjected to military disciplinary measures, saying slander suits in civilian courts would be more appropriate. However, he did not rule out the possibility of the case being submitted to the Supreme Council.

As a member of CONADEP, Chubut Radical Deputy Santiago Lopez tabled Mayorga's statements as a question of parliamentary privilege during yesterday's Lower House meeting. He accused Mayorga of having been party to the bombing of Plaza de Mayo during an attempted coup against the late President Jaun Domingo Peron on June 16, 1955, and of a share in the responsibility for the Trelew prison massacre on August 22, 1972.

Finally, a group of officials, deputies, politicians, and clergymen issued a statement yesterday defending CONADEP. The statement was signed by Ricardo Molinas, head of the National Administrative Investigations Office; Education Ministry Undersecretary Alfredo Bravo; Deputies Victor Marchessini (Radical-Misiones), Miguel Monserrat (Intransigent-Federal Capital), and Augusto Conte (Christian Democrat-Federal Capital); Nobel Peace Prize winner Adolfo Perez Esquivel; Intransigent leader Oscar Alende; trade unionist Roberto Digon; Quilmes Bishop Jorge Novak; and several Catholic, Protestant, and Jewish clergymen.

JURISDICTION DISPUTE GOES TO SUPREME COURT

PY011819 Buenos Aires BUENOS AIRES HERALD in English 1 Jun 84 p 11

[Text] (NA-DYN) -- Federal Judge Miguel del Castillo has asked the Supreme Court of Justice to settle a dispute with the executive branch of government, after the Defence Ministry and the Armed Forces Supreme Council rejected his request that retired General Leopoldo Galtieri, retired Admiral Jorge Anaya, and retired Air Force Brigadier Basilio Lami Dozo be transferred to his court.

Judge Del Castillo made the request after Juan Jose Taborda Roldian and Justo Roberto Tarantino of the Patriotic Union Party filed writs of habeas corpus in favour of the three retired officers, charging their preventive arrest by the Supreme Council in connection with their handling of the Malvinas war had been "arbitrary and illegal."

When Del Castillo ordered the Supreme Council to present Galtieri, Anaya, and Lami Dozo at his federal court, the high-military court refused and the refusal was later confirmed by Defence Secretary Horacio Jaunarena. At this point the judge decided to charge there was a conflict between the judicial and executive branches of government, and asked the Supreme Court to settle the dispute. But Federal Prosecutor Gustavo Anabon appealed this move by Judge Del Castillo before Federal Criminal Appeals Court II, which has yet to rule on the issue.

The Patriotic Union Party claims the three former military junta members "are neither detained, nor arrested, nor deprived of their freedom by a conviction imposed by a competent authority." They also said the trials for "their recovery of the Malvinas Islands" were "arbitrary and illegal."

ROCKET LAUNCHERS, OTHER ITEMS AMONG STOLEN ARMS

PY041540 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2130 GMT 2 Jun 84

[Text] Buenos Aires, 2 Jun (NA) -- It has been officially reported that seven members of the Army whose names and rank have not been disclosed are under arrest for stealing arms from the 9th Logistic Battalion headquartered in this city, while two other suspects are still at large.

An officer of this unit today showed journalists arms and explosives taken from the prisoners. Among these exhibits are rocket launchers, antiaircraft weapons, "strategic" [as received] machineguns, FAL rifles, 11.25 caliber pistols, and even an antiaircraft cannon, apparently decommissioned. [The BUENOS AIRES HERALD in English on 3 June, page 17 in a similar report adds: "...the stolen arms confiscated on May 18... [are] valued at $3.5 million."]

DAILY ANALYZES BEAGLE CHANNEL NEGOTIATIONS

PY060300 Buenos Aires LA NACION in Spanish 5 Jun 84 pp 1, 6

[Text] Several events have taken place in recent weeks which are directly linked to the negotiations with Chile on the Beagle Channel. Although it cannot be concluded based on the information gathered thus far that an agreement is imminent, some information disseminated recently allows us to hope that a solution to such a longstanding conflict can be achieved if both parties are able to reconcile some conflictive issues and the government makes the political decision -- subject to ratification by Congress -- to expedite what is considered to be the final stage of the mediation.

In this report, the reader will find some details of the negotiations held in recent months, which focus on the following points:

-- Navigation, not free navigation, with Argentine pilots between the Picton and Richmond passages with access to the Argentine Antarctic.

-- Navigation with Chilean pilots from the Beagle to the Strait of Magellan through the northwest side of the Ballenero and Cockburn Channels until reaching the Magdalena passage which ends at the Strait of Amgellan (it should be noted that Argentina was able to navigate with its own pilots in this area in the past but has failed to exercise this right since approxiamtely 1955).

-- To eliminate or to reduce the Zone of Shared or Concerted Activities (ZACC) [Zona de Actividades Comunes o Concertadas], Chile wants to eliminate the possibilities of navigation mentioned in the papal proposal and replace them with the procedures mentioned earlier.

-- Concessions for fishing and for prospecting for hydrocarbons in an area which could not go beyond 12 miles in accordance with the papal proposal.

-- The relinquishment by Argentina to its claimed demarcation points on the surface. In this respect, our country has entrusted Dr Carlos Arenas Barea with conducting a study on several treaties between neighboring countries whose demarcation limits in the sea are fully in force.

Certain progress in the negotiations began to be noted because of the Peace Commitment that Argentina and Chile signed on 23 January 1984, at the Vatican. This constituted an important achievement for Pope John Paul II since he was able to offer to the international community an important agreement aimed at preserving peace between two nations that were on the brink of a conflict, which was precisely the reason the two parties had appointed the Holy Father as mediator.

According to diplomatic sources, the first contacts came as a result of this commitment. First, Chile did not reassert its previous demand for an express recognition that the papal proposal had been accepted, and it agreed to the suppression of the so-called Zone of Shared or Concerted Activities (ZACC). In the second place, Argentina offered to remove its presence from the islands, eliminate the ZACC on the Chilean side, and gave up its demand for the establishment of points of support [puntos de apoyo] for the demarcation of borders, a position which Argentina had upheld until the end of December 1983.

But upon approving, with the support of the mediation office, the elimination of the ZACC on the Argentine side, Chile demanded economic compensation since it felt that this constituted a damage. Chile also demanded the displacement of the encircling border [limite envolvente] by 12 miles toward the Atlantic. This last Chilean claim had reportedly been rejected by the Argentine representation. Regarding economic compensation that was requested, it was agreed to negotiate the establishment of fishing and hydrocarbon programs in favor of Chile.

The progress that was achieved led some Argentine diplomatic officials linked to the negotiations to express their optimism about the possibility of achieving a definitive agreement rapidly. However, last February, Chile tried to obtain these compensations on fishing and hydrocarbon programs within an area identical in shape to that of the ZACC that are included in clause B, paragraph C of the papal proposal. This was also supported by the mediation office in keeping with a report that General Etcheverry Beneo had reportedly sent to the Foreign Ministry in early March. It has been revealed that Gen Etcheverry Boneo's report stated that Chile's intention of keeping the present draft on the ZACC as an area of compensation and the Vatican's suggestion of modifying the drafting on the ZACC which, according to the Argentine position, is an indispensable requirement for achieving an acceptable agreement over the dispute. According to the report, the mediation office simultaneously proposed a system of equations through which it either added or subtracted elements in favor or against the parties, "thus coming up with an algebraic form of mediation which only complicated the situation even further."

That proposal was objected to by General Etcheverry Boneo, who advised no action so as not to give the proposal an impression of viability because of the attention and, furthermore, because it essentially implies establishing a new zone similar to the ZACC as part of the treaty. On the other hand, the fact that the mentioned zone is poor in resources leads to the supposition that in the future Chile will transform its economic presence on the Atlantic into a military presence, thus invalidating the thesis upheld by our country: Argentina on the Atlantic and Chile on the Pacific.

In that regard, General Etcheverry included in his report the following observations:

"I understand that the fundamental concern of the government is the congressional treatment of an eventual treaty, because of the difficulties that this may encounter. I believe that taking the National Congress as a yardstick or 'standard' for the content of a solution to the Beagle conflict would distort the essence of these negotiations.

"I believe that it should be clearly stated what is the objective sought by the mediation, and which are the acceptable limits of a solution, taking into consideration all the aspects involved. This should be done in order to serve the national interest on this matter, without disregarding an exchange of viewpoints with the responsible congressmen to get their ideas for a positive approach and to clearly convey to them the position of the executive branch.

"It should not be forgotten that Argentina has gained great negotiating power with the advent of a democratic government which enjoys the consensus of the majority of the people, while Chile sees its international situation crumbling day by day and now has a serious conflict with the Holy See.

"Likewise, the repeated demonstrations of the will to negotiate made by the Argentine Government contribute to exhibiting a solid position, such as the letter sent to Cardinal Cassaroli in December 1983 by the Argentine foreign minister before assuming office. In my judgment, the Argentine Government, once the general objective and the objectives regarding each point in the papal proposal to make an acceptable agreement possible are clearly defined, should ignore pressures and exigencies to bring about a treaty."

Nevertheless, in April and May the negotiations proceeded on the basis of the antecedents mentioned before, although until now no affirmation can be made that the progress in the negotiations presages an imminent agreement. It could only be said that they are well on track. In the view of well-informed sources, the only thing missing is the political decision to give a final impetus to the last stage of talks between the respective delegations at the Vatican that will make it possible to conclude a definitive border treaty.

CP'S FAVA DISCUSSES POSITION, ADMINISTRATION

AU311935 East Berlin NEUES DEUTSCHLAND in German 25 May 84 p 12

[Text] During his visit to the GDR, Athos Fava, general secretary of the Central Committee of the Argentine Communist Party [ACP] granted the following interview to NEUES DEUTSCHLAND:

Question: Now that a new phase has begun in your country, that a turning point has been reached with the restoration of the Constitution and with the setting up of a democratic government, we would like to ask you, Comrade General Secretary, to explain to our readers in retrospect how the now overcome rule of the military came about, and what were the objectives pursued by it.

Militarization of the South Atlantic Islands

Answer: At that time the interests of the Argentine oligarchy and of domestic big capital on the one hand mixed with those of the transnational U.S. monopolies on the other. The putsch of 1976, which was first termed a "national rescue action," resulted in the establishment of a dictatorial regime of oppression.

What its authors as well as those people who carried out the action described as a "process of national reorganization" was actually intended to tighten the dependence of our country on the United States and to subordinate Argentina to the global strategy of imperialism. This was the main task of the military dictatorship.

Question: Would you also place the British-Argentine conflict over the Malvinas (Falkland Islands) within the contexts of imperial global strategy?

Answer: Undoubtedly. As early as March, 1982, our party warned the public of the imperialist intentions to develop the Malvinas into a military base. Precisely at that time the "Free Oceans Plan" became known, which had been confirmed by the U.S. National Security Council. Under this plan the islands were to be studded with military bases. This White House plan has remained in effect up to the present day. Meanwhile, the Malvinas have become an enormous unsinkable aircraft carrier with a strong British military base equipped with submarines and nuclear weapons, a base which serves the aims of NATO.

Question: The military rule has come to an end. On 10 December last year Raul Alfonsin, the elections winner, moved as state president into the Casa Rosada. What is your assessment of this event which has had significant consequences in Latin America?

Answer: The democracy which exists in our country today is first and foremost the result of the heroic struggle of our working people in towns and villages who, under the most difficult conditions, forced the dictatorship to abdicate. The advent of a democratic cabinet to government responsibility constitutes the execution of the will of our compatriots, of people with the most varied political views who gathered in the struggle for a new Argentina during 8 gloomy years. The entry of a democratic government into the Buenos Aires palace of government constitutes in a general sense a great victory of the people.

Question: The government of the Radical Civic Union (UCR) of State President Raul Alfonsin has pledged to restore democracy in Argentina. Will it be in a position to keep this pledge?

Answer: It is true that the bourgeois democratic reform government resulting from the elections of 30 October is now about to fulfill its pledge to restore democratic liberties. This intention alone is an event of maximum significance.

Regardless of these facts, we Argentine Communists are naturally duty bound to point out that the continued existence of the former state apparatus as well as the possibility that those people responsible for the reprisals of the past few years will only very reluctantly be called to account are filling our people with great anxiety. It seems that one of the bases for a destabilization of the present government is evolving out of this. This is why any seeds of a developing putsch must be eliminated in a timely manner. Never again a putsch in Argentina -- this is the demand of all the people.

Question: Comrade Fava, the ACP issued statements in which it welcomes the foreign policy of the new government.

Answer: The foreign policy of the government is undoubtedly oriented toward peace. It seeks peaceful negotiations on the Malvinas and on the Beagle Channel issue, and supports the efforts of the Contadora states for a political solution of the problems in Central America. This foreign policy is aimed at establishing Argentina in the Nonaligned Movement. We particularly welcome in this context the state president's message to Indira Gandhi on averting the danger of a world nuclear catastrophe.

Support by our party for these political objectives naturally does not imply that we have abandoned independent concepts or have renounced critical attitudes.

Question: With its own active peace policy the ACP has elicited a great international response. Which of its demands were particularly prominent in this effort?

Answer: A main element in the present struggle for peace is the coordination of the activities of the broad, world-embracing, anti-Reagan front. This front must curb the arms race and must prevent U.S. imperialism from deliberately fanning the situation further. The attempt by U.S. reactionary quarters to subdue the world is being justified with a nonexistent "Soviet threat." It is instead true that the USSR and the socialist states are pursuing a consistent peace policy and that they have put on the table pertinent alternatives for disarmament and for reducing the danger of war. The rejection of the overall complex of USSR peace proposals as well as all the individual proposals by the White House and by its NATO allies maneuver mankind into a dangerous situation.

Cordial Gratitude for Solidarity Shown

The fate of the Argentine nation virtually depends on respect for the principle of peace and peaceful coexistence of countries with different social systems and of noninterference in the internal affairs of other states. Our solidarity goes particularly to socialist Cuba, which is threatened by U.S. imperialism. We call for defense against the disgraceful counterrevolutionary actions against the Sandinist movement in Nicaragua. We firmly side with the people's forces in El Salvador. We underscore our affinity with the struggle of the peoples of Chile and Uruguay against the reactionary dictatorships.

Question: What impressions are you taking home with you from your visit to the GDR?

Answer: We have further cultivated our friendship here in the GDR in these few days. The relations between the ACP and the SED [Socialist Unity Party of Germany] have reached a high standard and we will also in the future work constructively for the development of political, economic, and cultural relations between the GDR and the Republic of Argentina. We are returning from this trip with a great respect for the SED, which has contributed a great deal to building the state of the GDR, which is now commemorating its 35th anniversary. I feel the urge to express the fraternal gratitude of my Argentine comrades to the party and to the GDR people for the solidarity shown to us.

BRIEFS

NEW PROVINCIAL CABINET -- Ushuaia, 22 May (TELAM) -- Jorge Nestor Vera, acting governor of Tierra del Fuego National Territory, last night administered the oath of office to: Alejandro Bayley as interior secretary; Miguel Gongora as economy and finance secretary; Julio Canga as public services, works, and housing secretary; and Jorge Eduardo Lopez as general government secretary. [Summary] [Buenos Aires TELAM in Spanish 1227 GMT 22 May 84 PY]

AMBASSADOR TO VIETNAM -- Enrique Jorge Ross, current Argentine ambassador to Japan, has been appointed concurrent ambassador to the Socialist Republic of Vietnam. [Summary] [Buenos Aires Domestic Service in Spanish 1030 GMT 23 May 84 PY]

U.S. ENVOY ASKED TO MAKE CHANGES TO ARMS ACCORD

PY060245 La Paz Cadena Panamericana in Spanish 0000 GMT 5 Jun 84

[Excerpt] Defense Minister Manuel Cardenas Mallo has revealed that in a meeting held with the U.S. ambassador, Edwin Corr, several matters related to the military forces were analyzed. In an interview granted to the press, the minister reported that modifications to the $6-million credit agreement which was signed earlier were discussed. Under this agreement, the United States committed itself to provide arms for the Armed Forces, but now a modification to it has been requested so that the United States will provide clothing, equipment, and vehicle spare parts.

[Begin Mallo recording] As you know, the Armed Forces depend on funds provided by the National Treasury. Consequently, given the economic crisis, the Armed Forces cannot make investments in armaments and such. I say this [words indistinct] because we have an agreement with the United States for $6 million which I signed in September 1983. This credit was earmarked for arms, but now, at the request of the commanders of the three services, this credit will be used for clothing, equipment, and other materiel, especially spare parts for vehicles. And this has motivated my request to U.S. Ambassador Edwin Corr to take the necessary steps to make the appropriate changes in the agreement which I signed. [end recording]

FOREIGN MINISTER DENIES ARGENTINE LOAN REPORT

PY060140 Paris AFP in Spanish 2352 GMT 5 Jun 84

[Text] La Paz, 5 Jun (AFP) -- It was reported here today that tomorrow Bolivian Foreign Minister Gustavo Fernandez Saavedra will go to Argentina to meet his Argentine counterpart, Dante Caputo, to discuss issues related to the Argentine-Bolivian Joint Commission.

Foreign Ministry sources have reported that Fernandez' agenda will include political and technical issues, the review of binational agreements, and the financial needs of the Joint Commission.

In a statement to the press, Fernandez flatly denied a report on a $500-million credit granted by Argentina to Bolivia and described this report as speculation.

Fernandez regretted the irresponsible use the press has been making of any information concerning foreign financing. The government has always observed the appropriate constitutional provisions in its financial negotiations, he said.

It has been noted that an Argentine Radical deputy had reported that the Argentine Government was studying a credit of approximately $400 million to export nontraditional export items to Bolivia. Yet, Guillermo Secchi, economic adviser of the Argentine Embassy in Bolivia, has said that he knows nothing about this credit.

FIGUEIREDO WILL NOT ACCEPT EXTENSION, REELECTION

PY051501 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 5 Jun 84

[Text] Presidential spokesman Carlos Atila has decided to spontaneously disclose some news. During a meeting he held with journalists in Brasilia, Atila slowly announced that President Figueiredo does not want, does not desire and, much more so, will not accept an extension of his term or his reelection. Atila ruled out the possibility that the president will make any announcement to the nation on his decision, as was reported in Brasilia yesterday afternoon.

QUITO DOCUMENT TO BE USED IN DEBT RENEGOTIATION

PY051626 Rio de Janeiro JORNAL DO BRASIL in Portuguese 4 Jun 84 p 13

[Text] An adviser of Brasilian Foreign Minister Saravia Guerreiro has reported that the government has decided to use the Quito Declaration, a moderately worded joint document signed in Ecuador in January during the meeting of the Economic Commission for Latin America, as the basis for the proposal which Brazil will submit to the meeting of Latin American debtor countries to be held on 14 and 15 June.

The Quito Declaration will also provide the basis for the proposals of the other debtor countries, in keeping with accords which they have signed. This document, which includes a plan for joint action, calls for a discussion of formulas for lowering debt service payments by means of a sharp reduction of interest, commission and risk margins (spread) [given in English], which the banks that have given the loans collect. It also proposes "a substantial lengthening of maturities" for payments which should not commit more than a "reasonable percentage" of the income received through exports, so as not to jeopardize domestic growth.

The source explained that the concrete proposals which the Brazilian Government will take to the meeting have yet to be decided. They will be studied next week, when Ministers Saraiva Guerreiro and Delfim Netto return from abroad.

On 11 or 12 June, with the joint declaration of developed nations -- which will meet in London on 7 and 9 June -- in hand, Foreign Minister Saraiva Guerreiro, Planning Minister Delfim Netto, Finance Minister Ernane Galveas, and probably Central Bank President Alfonso Pastore will decide, together with President Figueiredo, on Brazil's final proposal. Guerreiro will lead the delegation which will include Delfim or Galveas.

The Quito Declaration, on which Brazil's proposal to the meeting will be based, does not establish concrete terms of payment but instructs Latin American countries to "follow joint guidelines" in their "individual efforts to renegotiate their debts."

According to the plan of action outlined in the declaration, these guidelines are aimed, first of all, to shift part of the responsibility for the payment of the debts onto developed nations, private creditor banks, and the international financial agencies.

The Quito Declaration states that there is only one way to prevent a major crisis of the international financial system: "an adequate level" of development of Latin American and Caribbean nations.

"In the future the adjustment process must take place through an increase of prices and quantities of exports, a reduction of real interest rates, and additional restrictions on imports vital to the process of domestic reactivation [as published], "the document states.

FOREIGN MINISTER: WILL NOT ASK FOR MORATORIUM

PY051432 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 5 Jun 84

[Excerpt] Brazil is not thinking of a moratorium, not even a partial one. This is what Foreign Minister Ramiro Saraiva Guerreiro said after a meeting with Planning Minister Delfim Netto and Finance Minister Ernane Galveas.

JUSTICE MINISTER VETOES PCB STATUTE PUBLICATION

PY011205 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 31 May 84 p 5

[Text] Justice Minister Ibrahim Abi-Ackel has vetoed the publication of the Brazilian Communist Party [PCB] statute, program, and manifesto in the OFFICIAL GAZZETTE, alleging that the PCB has ties with foreign governments, thus violating Article 152 of the Constitution. This explanation was provided by the minister's spokesman, Oyama Telles. The PCB Central Committee has requested the publication on 19 May so that it can next request PCB registration in the Superior Electoral Court.

For a party to function the Constitution dictates that it should have no ties whatsoever with foreign governments, organizations, or parties. The decision will be made known officially to the PCB, probably today, through the ministry's legal advisor. On 29 May, the director of the National Press Department (DIN), Dinora Moraes Ferreira, told the PCB that the publication of the material, for which 3.5 million cruzeiros should be normally paid, was dependent on the ruling by the legal adviser because the case involved material from an outlawed party.

The publication of its statutes in the OFFICIAL GAZZETTE constitutes an objective of the PCB in order to comply with item II of Article 5 of the Political Parties Organic Law. This law requires the publication of a party's manifesto, statute, and program in the official press as a requirement for its creation and registration.

FURTHER REPORTAGE ON FOREIGN ARMS SHIPMENTS

Army General on Sales Policy

PY051610 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 2 Jun 84 p 5

[Excerpt] Brasilia -- General Jose Albuquerque, chief of the War Materiel Department of the Army, yesterday championed pragmatism in arms sale, by saying that the country that has too many qualms about that sort of trade misses excellent chances of collecting foreign currency.

Nevertheless, Gen Albuquerque noted that political reasons sometimes prevent a market from being conquered. In such cases, Gen Albuquerque remarked, diplomatic guidelines are followed, alluding to countries like Iran -- a country waging war against Iraq, a traditional buyer of Brazilian arms -- and South Africa, a country that has political problems with many African countries. Concerning the sale of Tucano airplanes to Honduras, Gen Albuquerque assured that those are training planes and that the operation is not in conflict with the stand of the Brazilian Government which advocates disarmament in Central America, a measure advocated by the member countries of the Contadora Group.

Concerning the $300-million arms sale to Iraq, a piece of news that was exclusively reported by O ESTADO DE SAO PAULO, Gen Albuquerque explained that it is a delivery based on contracts closed in the past 2 years. "These are not sales that have recently been concluded, since no country has off-the-shelf arms for immediate delivery."

Gen Albuquerque reported that the Ordnance Industry (IMBEL) had almost no participation in that sale to Iraq. However, within 6 months IMBEL will be in a position to export to several countries a line of assorted products from its factories, mainly ammunition and small caliber weapons.

A highly placed source in Itamaraty also said on 1 June that "the arms shipments that Iraq continues to receive are simply a result of contracts signed long ago." The Foreign Ministry has reasserted that Brazil is not selling "one single weapon" to Iran.

A spokesman of the Iraqi Embassy in Brasilia has said that he could not confirm or deny new shipments of Brazilian arms bound for his country, "because these purchases are directly arranged between Baghdad and Brasilia, the matter is handled at the highest level between the two governments, and not at the ambassador's desk."

O ESTADO on Sales to Iraq

PY052330 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 1 Jun 84 p 5

[By Roberto Godoy]

[Excerpts] In the middle of an intense military confrontation with Iran in the Persian Gulf war, Iraq is receiving its largest shipment of Brazilian military equipment since it began purchasing Brazilian weapons in 1979. It is a $300-million package, so large indeed that both manufacturers and government officials of the sector have refused to make any comments. Deliveries began in the first quarter of this year, when the last Engesa [Specialized Engineers, Inc.] armored vehicles, from an order for at least 180 vehicles, were shipped. Deliveries continue at a high rate and, in addition to heavy equipment, they include trucks, spare parts, rockets, ammunition, rations, spare parts for weapons built in other countries, field surgery kits, and several light equipment items. There are new contracts that are being negotiated, like the eventual transfer [repasse] of some of the 120 Embraer [Brazilian Aeronautics Company] T-27 Tucano planes bought by Egypt, to be used for training Iraqi Air Force pilots, and the sale of a new series of Engesa combat vehicles.

However, according to officials of the Itamaraty Commercial Promotion Department, the Iraqi Armed Forces use direct channels for their purchases from Brazilian companies like Sidebras [Brazilian Iron and Steel, Inc.], the Santa Catarina Tupy Iron and Steel Plant, the Cotia Agricultural Cooperative, and the Bordon meat packing plant. The Iraqis are drawing on a special fund created by the government to cover military expenses. A type of "technical commission for the reception of materiel," on permanent duty in Sao Paulo, supervises the manufacturing of the items ordered by Iraq.

The weapons that Iraq is buying from Brazil are mainly Cascavel EE-9 armoured cars fitted with 90-mm guns, laser rangefinders, and night vision equipment; amphibious Urutu EE-11 multiple-use armoured cars that can be fitted with a wide variety of weapons; anti-aircraft guns, and missiles; and Jararaca EE-3 scout cars. The Jararaca EE-3, a very fast jeep, is the latest member of the Engesa "family."

The Iraqi Army used some 200 Brazilian armoured vehicles in 1980. During the war with Iran, the vehicles lost in combat were replaced by new units fitted with the technological improvements of the latest models. Iraq bought some 180 vehicles in 1983 and is now negotiating a new purchase. Iraq should also become the first foreign user of the Engesa Osorio EE-T1, the first Brazilian battle tank that should be ready by November.

This is a 35 ton, technologically advanced supertank armed with a 105-mm gun and fitted with 120-mm tubes.

But this is not everything. Engesa also supplies Iraq with combat equipment in general, and even with replacement parts for planes or other types of weapons which are no longer produced by their original manufacturers or which are not sold to Iraq for foreign policy reasons.

The most daring equipment sold to Iraq so far, however, has been the Astros II of Avibras [Brazilian Aerospace Aviation Company]. The overall 3-year order amounts to $600 million, and although there has been a period of difficulties with industrial installations and the suppliers of steel sheets, the enterprise began to deliver the first units toward the end of April. There was a 6-month delay. The units, mounted and semi-ready for action, were shipped from the northern port of Sao Sebastian and from Santos. The trip lasts between 10 to 19 days, and upon arrival, it is estimated that the maximum period to put the equipment into action, including the time necessary for the training of personnel, is some 2 weeks to 30 days.

A standard multiple rocket launcher, Astros II is made up of four rocket launchers, two resupply vehicles, and a fire control unit, at a cost of $10 million. This unit has a range of 600 km on road, or 400 km on rough ground, with an average weight of 10 tons per vehicle, with a maximum speed of 100 km per hour. The leading vehicle is the one carrying the electronic system, and acts in the following manner: once the zone of attack is reached, the trucks are spread out in a given order, and wait for the fire command. A regular configuration would be made up of two trucks fitted with 64 (32 on each) SS-30 rockets (127 mm, 20 kg of HE explosive filler, with a maximum range of 32 km); one truck with 16 SS-40 rockets (180 mm, variable warheads of 35 kg of explosive filler, with a range of 40 km); and a fourth vehicle with four powerful SS-60 rockets (300 mm, a range of 70 km, carrying 150 kg of explosives in the form of multiple or single warheads).

The fire control unit, which can coordinate up to eight launchers simultaneously, pinpoints the targets and makes a trial shot with a single rocket. The rocket runs three fourths of its trajectory and destroys itself in the air. But at that point the computer has already drawn the remainder curve of the drop, made the necessary correction, and supplies to each vehicle the coordinates to adjust the target line to their objective. In a coordinate joint salvo, in less than 16 seconds, 2,440 kg of percussion, shrapnel, fire, anti-tank, and anti-personnel rockets will be flying against the enemy, with a rate of accuracy similar to that of a missile. There is nothing compared to this unit in the confrontation with Iran in the Persian Gulf theater of operations.

The Astros II system will probably become Avibras' highest selling unit in the 1980's, after the signing of the contract with Iraq, which is already purchasing the Sbat-77 air-to-ground rockets. The Astros II was exhibited in Paris at the Le Bourget Hall in 1983.

NAVY TO COMMISSION SEIZED U.S. FISHING BOAT

PY050035 Brasilia Domestic Service in Portuguese 2200 GMT 4 Jun 84

[Text] The U.S. fishing boat Cape Orange, which was seized in January for illegally fishing in Brazilian territorial waters, will be delivered tomorrow in Belem to the 4th Naval District Command to be commissioned to the northern nautical warning services.

The Cape Orange, which will be used to repair buoys along the Amazon River, is the first foreign ship to be commissioned in the Brazilian Navy.

The official delivery will be made by the regional superintendant of the Internal Revenue Service, (Edmar de Souza Freitas), in a ceremony to be held at office of the commander of the 4th Naval District, Vice Adm Mario Jorge da Fonseca.

ADMIRAL DISCUSSES PURCHASE OF EXOCET MISSILES

PY050315 Brasilia Domestic Service in Portuguese 2200 GMT 4 Jun 84

[Text] Vice Admiral Armando Amorim Ferreira Vidigal, commander of the 3d Naval District, today visited the port of Itaqui in Sao Luiz.

Speaking to newsmen, Adm Ferreira spoke about negotiations to equip Navy corvettes with French Exocet missiles and noted that there is a chance that this weapon will be manufactured in Brazil.

[Began Ferreira recording] Included in the negotiations to purchase missiles for our corvettes is a nationalization project, and included in this project is a process for the transfer of technology. I believe that with (?good) national enterprises we can succeed in manufacturing surface-to-surface missiles in Brazil in the not too distant future. [end recording]

ARMY TESTS COMPUTER FOR ARTILLERY FIRING

PY051755 Rio de Janeiro JORNAL DO BRASIL in Portuguese 4 Jun 84 p 14

[Text] In 3 months the Brazilian Army will receive a prototype of the first Brazilian-made computer for aiming field artillery fire. The computer, made by Prologo, an Imbel subsidiary, was tested last week at the Agulhas Negras Military Academy. Its designer Willington de Andrade said: "This is the first step toward the automation of artillery."

The computer for field artillery firing (a bit larger than a shoe box) will aim the fire of 105- and 155-mm cannon and because it has greater resources -- it stores data and has a memory -- it will give field artillery greater speed and mobility, said the Army War Materiel Department. Land forces are already using imported computers, but from now on all the computers used will be 100-percent Brazilian made.

This was announced by General Jose de Alburquerque, chief of the Army War Materiel Department. He added that the costs "are compatible with Army resources." The Army placed an order for a shockproof and waterproof computer which was only available in the developed countries. It is for calculating the position of targets and is a substitute for the manual work of artillery officers; it would be a part of the central firing system. From the time the Army approves the performance of the computer prototype for artillery firing, the company can start "test production" (6 or 10 units) and then go in for industrial production for export after quality control by the Army.

Avibral must also deliver to the Army a computer for aiming antiaircraft artillery fire within 1 year. This is a large computer, more sophisticated than the first one. It is coupled to a radar and will be 80-percent Brazilian made.

ECONOMY MINISTER DISCUSSES SACRIFICE, RECOVERY

PY011315 Santiago EL MERCURIO in Spanish 25 May 84 pp A 1, A 10

[Excerpts] Finance Minister Luis Escobar Cerda yesterday said that although he has not called back the bill imposing taxes on luxury goods, "I have declared myself defeated on this matter." He said that the bill which had been sent to the government junta has no possibility of being approved "because there is not yet enough conscientiousness nor is the need yet strongly enough felt in Chile for making a great collective sacrifice and effort."

"But that time will have to come," the minister said, "and then we will accept austerity measures that we are not yet willing to support."

Speaking to the 99 members of the Economic and Social Council, the finance minister reviewed the economic situation the country is experiencing. The attendees praised the minister's speech as "very frank, clear, and interesting," and at times they interrupted Minister Escobar with strong applause.

Escobar told the attendees that the government is working on designing an economic strategy to eliminate the obstacles which stand in the way of the reactivation process and the solution to the unemployment problem, obstacles such as internal indebtedness and the situation of the banks and the economic conglomerates.

Referring to the bill to tax luxury goods, the finance minister explained that he came up with the idea in view of the need for additional resources which the economy requires.

He said that the rationale for this initiative is the necessity for supporting absolutely essential activities in the field of health and education. He then asked: "Why not ask contributions from those who can consume items that can be considered marginal?" He continued: "I think that people who can pay 100 pesos for these items could just as well pay 150 or 200 pesos. My calculations show that revenues could thus be raised by 2.5 or 3 billion pesos a year, and thus satisfy absolutely essential needs in the areas of health, education, etc."

Minister Escobar then pointed out that it is necessary to convince 12 million Chileans to unite in a great effort to pull the country out of its troubles, and that in his view the greatest sacrifice is required from the sectors with the greater resources. He added: "Unfortunately, I cannot ask the 525,000 unemployed who earn not one peso to bear more taxes on the goods they consume, because really they do not consume; nor can I ask more of the persons who are working for 2,000 pesos per month in the Minimum Employment Plan. So I think that perhaps we who consume a few things beyond the essential could make an additional contribution."

Changing the subject, Minister Escobar stated that despite the numerical indicators, the impact on the economy of the international interest rate hike and the copper price decline is "to our pleasing surprise much less than those indicators show."

Regarding internal indebtedness, the minister announced that measures are being analyzed and will be unveiled next week.

In closing, the minister said: "We believe that the government will have to act at the international level to resolve the problem of the foreign debts of the developing countries. At the domestic level, the Chilean Government will decisively act to assist the private sector in recovering its vitality so that it can put its shoulder to the task of the country's economic recovery.

Minister Escobar asserted that he does not believe in statism, and "I am a strong believer in private enterprise, but neither I nor the government will be deceived by rhetoric that the government must not intervene, that the state must keep its hands off, that the government should only play a supporting role, and so on."

He stated: "The country has had 10 years of rhetoric about private enterprise, and you can see yourselves how private enterprise is faring. Henceforth, we will have less rhetoric, and I can assure you that by the time this government ends its term of office, the private sector will be strong and solid, at the helm of the country's economic recovery."

ESCOBAR ADDRESSES NATION ON ECONOMIC POLICY

PY020104 Santiago Domestic Service in Spanish 0118 GMT 1 Jun 84

[Speech by Finance Minister Luis Escobar Cerda to nation -- place not given -- live]

[Excerpts] Fellow countrymen: I am addressing you in compliance with the president of the Republic's order with the purpose of disclosing the package of economic measures agreed on and as a continuation of the speech made by Economy Minister Modesto Collado last Friday.

Minister Collado clearly explained the need to do away with some domestic obstacles that prevent the implementation of a more aggressive national economic reactivation program. He specifically referred to the internal indebtness of enterprises and private individuals and to their situation.

On this occasion I will refer to the situation of the intervened financial enterprises, to the problem of assets, and to the handling of the enterprises that form the large financial groups. I will also take the liberty to refer to some of the effects of the current economic situation that the country is enduring. It is necessary to make some statements in this regard because the Chilean economy has been hit, since the new economic team took office almost 2 months ago, by a steep increase in international interest rates as well as a drop in the price of copper, our main export product.

Before fully referring to the subject of intervention, I would like to point out that it must be clearly understood that the solution to the debtors problem is definite. And what do I mean when I say that it is definite? I want to point out that the extraordinary circumstances experienced by the Chilean economy during the past few years have created a spectacular situation that also required a spectacular solution. However, from now on the economic agents will operate within the principles of commercial prudence, limiting indebtedness to the levels allowed by the normal development of their economic activities. To operate otherwise would represent an offense to commercial moral standards. Debtors and creditors should make an effort so that their signature and word should be strictly respected and the organizations in charge of enforcing the law should be inflexible in fulfilling their duty.

I will give the media the full text of the speech I intended to deliver over television but which I will cut short so that everyone may return to your usual programs. To show my appreciation for your listening to me I will be very brief.

As a consequence I will refer to the intervened banking sector by only explaining the principles that led the supreme government to find a solution to this problem.

For the larger banks, especially the Bank of Chile, where there is a dominant presence of foreign investment, for example, it will be very difficult to find solutions such as the solution for the smaller banks. And in view of the importance of the capital that is involved it is very probable that the state will have to provide capital. The state will capitalize part of the loans that the Central Bank has already granted to these institutions.

Following is the procedure that is believed to be the most adequate in these cases. Of course, I will be brief. In the first place, the required minimum capital must be determined after evaluating the positive impact on the banks of the already announced relief measures for debtors. In the second place, a legal foundation is needed that will allow the treasury to implement the necessary capitalization after exhausting all possible stages in the search for private capital that could do it. In other words, at this stage the government's program demands a law, therefore the executive branch will submit the pertinent legislation to the government junta. In the third place, the shares in the hands of the treasury must not surpass 50 percent. In other words, the treasury will never be the majority shareholder in the banks that we must now save, as we want these banks to continue to operate in the Chilean financial system.

And, if it is necessary, a first segment will be capitalized and then sold and then we will proceed with the capitalization of the rest. In other words we must be sure that the majority of the shares are in the hands of the private sector, because the principle that this government has repeatedly preached through its highest officials is that we want a private banking sector in Chile, because we believe that the state banking sector is adequately supplied with the existence of the State Bank of Chile.

Consequently, the law will establish obligatory mechanisms for the sale of stocks that the state receives, with a minimum of 20 percent a year; thus in a maximum period of 5 years the state will have disposed of all the shares that it had initially bought. And we hope that this process' deadline will be substantially shortened. In this respect, the idea is to subject the sale of shares to a tender at the proper time without a minimum base, thus there will be no excuse for the state to retain shares, which, at the time of their purchase, agreed to transfer them to the private sector.

Despite the fact that in view of the estimated losses of these banks the present shareholders do not have the right to keep part of the property, they will be allowed to do so as an acknowledgement of the economic potential, prestige, and name of the institutions.

Two types of criticism have emerged: that these measures imply that the state will take over the banks, which cannot come about if the aforementioned measures are implemented. On the other hand it is stated that on capitalizing these banks they will be in a much better situation than the other banks.

Regarding this last point, the capitalization will be kept at a minimum so that these banks will be at the same level as the rest of the banking sector, but not in a better position.

But if nothing is done and the estimated losses come about, there will be an irrevocable and rapid deterioration of those institutions.

At this point I would like to briefly discuss the economic groups problem, and I say briefly because within the next few days we shall have a chance to discuss those measures that the government intends to enforce in this regard with the mass media.

The basic idea the government is proposing to solve this problem is for these economic groups to transfer their properties through agreements to their creditors so that what is obtained through the sale of these properties is used to pay the pending debts.

It is worthy to note that the main creditors of these economic groups are precisely the banks that are intervened by the government.

It is absolutely necessary to transfer properties in favor of creditors because of the interrelationship of the companies that make up these groups. These creditors will act through the representation of committees that will be entrusted with obtaining the best results in the sale of shares and safeguarding the continuity of production enterprises.

So as to avoid a recurrence of incidents that have forced us to implement these measures regarding banks and holding companies, the executive branch will soon submit to the government junta a draft law regarding banks and financing institutions. This draft law will establish specific and strict regulations regarding possible business transactions between financing institutions and those companies that are under their administration or those that are of their property.

We are sure that our answers will not please all of you. However, the government feels confident by the knowledge of having done its best by listening to all views on the various matters that were considered and by adopting all solutions by always placing the superior interests of the nation and of the people above and beyond personal interests.

We also want to express our gratitude to all members of the labor commissions who have generously contributed to this effort. We want to thank all these people through the commission presidents, who have already concluded their work. They are Messrs Efrain (Friedman), Carlos Hurtado, and Carlos (Urebe).

I would like you to grant me three more minutes to refer to the last subject I listed at the beginning of my speech, which is the current economic situation and the macroeconomic policy of the government. Detailed information on these matters will be submitted to the mass media and you will probably read about them in tomorrow's Santiago newspapers. Hence, I will refer to them very briefly.

When the current economic team started functioning on 2 April, there was a program that had been established with the IMF at the end of last year. This program served as a basis for drawing funds from the IMF itself and obtaining a $780-million loan from foreign commercial banks. This loan was absolutely indispensable to Chile to pay interest on its foreign debt. Therefore, the new members of the economic team practically had no other alternative than to continue with the agreement reached with the IMF, as renegotiating it would have taken many months and the domestic and international economic and financial situation made this procedure inadvisable. As is known, the macroeconomic program that was incorporated in the agreement with the IMF was drawn up on the basis of an average [de referencia] annual international interest rate of 9.5 percent and of an average annual copper price of 75 cents per pound. However, it is now foreseen that the average international interest rate for Chile will reach an average of 11 percent in 1984 and that the price of copper will not exceed 71 cents per pound. These two factors will have an impact on the current account deficit of our balance of trade during 1984, although the deficit can be financed perfectly well without the need to use Chile's international reserves.

In the document I will submit to the press, I have included all the figures to show how this can be attained. But the important thing is that in addition to this being possible to attain, we are also currently capable of maintaining the macroeconomic objectives we have already announced, which are a growth of our gross domestic product on the order of 4 percent this year, an unemployment rate in proportion to the work force of 12 percent at the end of the year, which means creating 170,000 new jobs, and the maintenance of special work programs on the order of 13 percent of the work force. The inflation rate is expected to reach approximately 20 percent and the government is maintaining its balance of payments objective, which consists of preventing international reserves from dropping below their level of December 1983.

In conclusion, I would like to say that despite the adverse international economic situation, which is beyond our control, the domestic supply reactivation plan we are trying to implement must give priority to investments rather than consumption. The current investment rate in Chile is unsatisfactory because it reaches 12 percent of the gross domestic product, which is very low. Public and private investments must be promoted in connection with activities that require intensive use of manpower and give employment to the large number of people who are currently unemployed.

I do not want to expand on the figures that will probably be published tomorrow and the following days but nevertheless I would like to conclude by saying that the objectives to promote employment and implement an austere policy to reduce consumption temporarily precludes us from adopting a wage policy that would restore to the wages of workers the purchasing power lost as a result of the recession. However, the income of workers will benefit from the employment promotion plan. The increase in the employment rate will in turn increase the income of all workers, which means that those who are currently employed will be able to earmark a smaller portion of their wages for the upkeep of their unemployed relatives.

In order to attain this, on behalf of the government I appeal to all businessmen to increase by 10 percent the hiring of personnel. This appeal is addressed to all those involved in the goods and services sector; and in the industry, mining, construction, business, financing, and service sectors. It is aimed at achieving an increase in the present employment level.

Through this measure the government intends to be one step ahead of the increase in the employment level that will be witnessed in the future as a result of the present economic reactivation process. A good response to this appeal will result in a reactivation effect in itself by granting purchasing power to those who lack it today or by improving the purchasing power of those who are in minimum employment programs.

This is obviously a social solidarity measure since it will incorporate into the production apparatus many fellow Chileans who today lack the opportunity to contribute in the economic reactivation process.

Since this is a voluntary intiative I ask all those employers who respond to this appeal to notify the finance minister by writing a few lines addressed to the Finance Ministry, Employment Program. If everyone responds to our appeal we will be able to give employment to about 150,000 fellow Chileans.

Therefore, our strategy to confront the present situation encompasses the implementation of an economic readjustment and reactivation program. We believe that by making a joint effort with the private and public sector, the country will be able to adopt this economic readjustment and reactivation program instead of implementing an economic readjustment program with recession, something which will imply a new fall in the product [Gross Domestic Product] and consequently of the real income of the people which would be very difficult to tolerate.

Fellow Chileans:

The goals to be achieved in 1984 within the framework of the macroeconomic program that has been briefly described are modest in absolute terms, but they are important if we take into account the adverse international economic situation that are undermining the Chilean economy. Therefore, even the achievement of these goals demands a great collective effort that must be shared equally by the 12 million Chileans.

No economic program in the world can be carried out without the support of the majority of the people. This is how other countries that have experienced wars and disasters have been able to overcome their problems; this is how countries with fewer resources than we have and how countries facing situations that an impartial observer would believe hopeless, have been able to emerge as world powers.

Since the present situation calls for a great collective effort, in keeping with instructions imparted by the president of the Republic, the government will start by giving an example of economy and austerity. In keeping with His Excellency's instructions, the government is imparting orders to the public sector to decrease their expenditures in nonpersonal consumer and service goods by 10 percent of the levels listed in the 1984 budget.

This and other examples in other nations lead us to believe that if there is a desire to overcome problems, if there is a desire to achieve development and effectiveness, if there is discipline in the social, economic, and labor sectors, there will be a fruitful development of production resources, and that above all, we will develop a self-confidence that will allow us to achieve national cooperation and thus achieve unimaginable goals.

We are able to achieve these objectives since our history is rich in examples showing what Chileans are able to do when they have coped with situations that were jeopardizing the noblest interests of the nation.

But all this will be mere rhetoric if it is not perfectly understood that it will be impossible to overcome this crisis if we do not undertake -- what the president has called -- a vast social solidarity program that will allow the affected sectors to overcome this stage in a dignified manner.

Only thus shall we be able to overcome this difficult situation in an atmosphere of peace and social justice, because peace, fellow Chileans, has a price, a price we must be willing to pay.

I conclude my speech by urging you to participate in an undertaking that will be rewarding since in so doing we will be even more proud of being Chileans.

Thank you very much. Good evening.

NATIONAL ACTION MOVEMENT ELECTS LEADERSHIP

PY011844 Santiago EL MERCURIO in Spanish 30 May 84 p C 3

[Excerpts] Journalist Federico Willoughby MacDonald was elected president of the National Action Movement (MAN) during a lengthy meeting which concluded in the early morning hours of 29 May. The designation was unanimously approved by the Executive Board elected in the national meeting held in Cartagena on 26-27 May. Furthermore, Carlos Castro Sauritain was appointed the MAN's secretary general.

Through Willoughby's election, the stand adopted within the "Group of Eight" by the MAN has been ratified.

Meanwhile, it was stated in a communique that both leaders [Willoughby and Castro] will proceed with actions that seek to consolidate the proposal made by the Group of Eight.

It was also reported that the above-mentioned leaders, along with Pablo Rodriguez, Benjamin Matte, Gaston Acuna, M. Olivia Gazmuri, and Rafael Conejeros, will organize the second national convention which is to take place on 12-14 October.

AD-PCCH DIALOGUE PROVOKES CRITICISM, CONCERN

PY020340 Buenos Aires TELAM in Spanish 2115 GMT 1 Jun 84

[Text] Santiago, 1 Jun (TELAM-ANSA) -- An unprecedented dialogue between the Democratic Alliance [AD] and the Communist Party [PCCH] has prompted harsh criticisms from the political right, uneasiness among the same AD sectors, and concern within the Popular Democratic Movement [MDP]. The communists make up the main force of the MDP.

The development of recent talks between the AD coalition and the PCCH held in Concepcion, the third most important city in this country, in the presence of the Concepcion archbishop, has had national repercussions. The regional party leaders were called to Santiago and others talked by phone with the national leaders, concerned over the initiative which intends to build a single great bloc for democracy and nonviolence.

The criticisms came immediately from the rightist parties which demanded a categorical position from the AD concerning the Communist Party. They also reported that until a declaration is released in this regard, all contacts with the opposition coalition are suspended. The rightist forces did not sign the declaration for democracy and nonviolance given to them by the AD, and limited themselves to saying that any pact with the communists is nonsense.

The AD released a document both to the communists and rightists in an effort to reach a point of agreement and a common position that might accelerate the return of democracy. Sectors of the AD coalition today voiced their protest over this opening that allowed the PCCH to emerge from clandestinity and to sit at a multiparty negotiating table.

The meeting also had an impact on the MDP because the AD only talked with the PCCH which, although being the strongest column of that political group, is not its representative. In this regard, the Communist Party hastily included among AD proposals those of the forces which make the MDP, where socialists and the Movement of the Revolutionary Left are gathered.

CNI ARRESTS TWO COMMUNIST PARTY MEMBERS

PY011342 Santiago Domestic Service in Spanish 1100 GMT 1 Jun 84

[Excerpt] A security agency has arrested two individuals who are members of the Manuel Rodriguez Front, the armed branch of the outlawed Communist Party. The National Intelligence Center (CNI) has revealed the identity of the two detainees. One is Marco Enrique Gonzalez (Rutia), 22, domiciled at the Los Presidentes condominium, block 120 A, apartment 204, Nunoa district. Gonzalez, a member of the Communist Party, has been using the name of Andres as his nom-de-guerre. The other detainee is Gilberto Fernando Galleguillos Salinas, 28, domiciled in a house at 1589 Francisco Silva Street, Conchali district. Galleguillos, also a member of the Communist Party, has been using the name of Pedro.

POLICE DEFUSE BOMB AT OPPOSITION LEADER'S HOME

PY051712 Buenos Aires TELAM in Spanish 1647 GMT 5 Jun 84

[Text] Santiago, 5 Jun (TELAM) -- Radio Agricultura today reported that the Chilean Police prevented an attempted attack against Gabriel Valdes, leader of the opposition Christian Democratic Party. The radio station reported that the police arrived at Valdes' downtown residence upon being notified that unknown individuals had placed a bomb there and defused the device. Radio Agricultura did not explain how the police knew that a bomb had been placed in Valdes' residence, or whether the opposition leader was at home when the event took place.

Valdes Denounces 'Plot'

PY052255 Santiago Radio Cooperativa in Spanish 1715 GMT 5 Jun 84

[Report by Manuela Robles]

[Text] Good afternoon. Christian Democratic Party [PDC] President Gabriel Valdes has reported during a press conference that at 0015 GMT last night members of the First Carabineros Precinct found an explosive device in the front yard of his home. Valdes said that Carabineros were able to defuse the device. He quoted personnel of the first precinct as reporting that slanderous slogans against him were painted on the bomb, that two individuals who had robbed a pedestrian had been arrested, and that many people, whose identities have been established, were being held at the disposal of the First Criminal Court in connection with the incident. The PDC president said that aside from the information he has requested from the chief of the first precinct and of the investigations that are being conducted in his neighborhood, he will take all necessary steps to clarify the incident.

Valdes denounced this criminal attack which shows the existence of a violent and intimidatory plot against opposition members. He added that the public is aware of the fact that none of the anonymous attackers against opposition members have been punished. Valdes said that the decision to apply a strong arm now that the country is confronting such a severe crisis has resulted in violent actions against people like him who continuously denounce those who are to blame for this crisis. Finally, he said that these actions will not deter him from fighting for the safety of all Chileans and that this will be attained only through the prompt return to democracy.

It is worthwhile to note that the surname of both detainees is Flores and that they are under 20 years of age. They are accused of having stolen a watch from a pedestrian who was passing by Valdes' home at the time of the incident.

SOVIET UNION ASKED TO PURCHASE MORE COFFEE

PA042243 Bogota Cadena Radial Super in Spanish 1730 GMT 4 Jun 84

[Text] Bogota -- It was recently reported that the Colombian Government has proposed that the Soviet Union increase its purchase of Colombian coffee to 5,000 tons per year. Colombian and Soviet Government officials discussed coffee at a meeting of the joint Colombian-Soviet intergovernmental commission. President Belisario Betancur sent a letter to Soviet President Konstantin Chernenko to ask that the socialist bloc countries rejoin the International Coffee Organization. It is expected that the Soviet Government will reply to President Betancur's request in the next few days with a response that will favor the International Coffee Organization and the Colombian economy.

FARC TO MEET WITH TRUCE OVERSIGHT COMMITTEE

PA010423 Hamburg DPA in Spanish 0212 GMT 31 May 84

[Text] Bogota, 30 May (DPA) -- Manuel Marulanda (alias Tirofijo), commander of the Revolutionary Armed Forces of Colombia, FARC, and Jacobo Arenas will be the FARC delegates responsible for talking with the members of the oversight committee that will supervise the cease-fire and truce between the guerrillas and the Colombian Armed Forces.

Jaime Guaraca, Raul Reyes, and Alfonso Cano, members of the FARC general staff, will be alternates for the two FARC leaders.

"Tirofijo" confirmed this information and added that they will attend the first meeting of the oversight committee once the government decides on where it will be held. Soldiers will be removed from the area where the meeting will be held and where the FARC leaders will camp.

Jacobo Arenas, second-in-command of the pro-Soviet FARC, added that the guerrilla group will appoint their delegates to the oversight committee in the eight cities where subcommittees will be established and that these delegates will see to it that the truce signed with President Belisario Betancur's Government is kept.

Clash Despite Truce

PA022002 Bogota Cadena Radial Super in Spanish 1730 GMT 2 Jun 84

[Text] With the exception of a bloody incident that took place yesterday in Yacopi, in which two FARC guerrillas were killed by regular Army troops -- the first violation of the truce signed between this guerrilla organization and the national government -- the situation is normal throughout the country.

Military spokesmen have said that control will still be maintained in areas that have been affected by violence to prevent any actions of sabotage in protest of the peace treaties that were signed in La Uribe, Meta.

ELN CONDEMNS ATTACK ON CARACOL RADIO STATION

PA041650 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 4 Jun 84

[Text] Arauca -- [name indistinct] group of the National Liberation Army, ELN, has denied any responsibility in the attack on Radio Caribabare, a station of the CARACOL network in Sarabena, Arauca. The ELN condemned the attack and said it was perpetrated by another group commanded by Fernando Perdomo, which has no links with their organization.

DRUG TRAFFICKER FINED, INVESTMENT PLAN DISCLOSED

PA042107 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 4 Jun 84

[Text] Bogota -- Drug trafficker Carlos Lehder Rivas had intended to grab economic control over the Department of Quindio through the purchase of land and million-dollar investments in national and international corporations.

This was concluded from a report submitted by Lieutenant Colonel [name indistinct] Jose Serrano Cadena, police commander in Quindio, who said that Lehder Rivas had plans to construct four urban centers and make a series of investments in Colombian and foreign corporations to launder the money he had acquired through drug trafficking.

According to the report, the mafioso also had plans to create a financial group that would handle abroad $20 million a year derived from drug trafficking.

Meanwhile, the Labor Ministry has ruled that Lehder Rivas must pay a monthly fine of 10,000 pesos for the illegal closure of La Posada Alemana, in Armenia, which he owns.

CARACOL learned that Lehder Rivas was fined because he closed his business, leaving 100 workers jobless. La Posada Alemana was closed when Lehder Rivas fled to avoid being arrested, following the murder of Justice Minister Rodrigo Lara Bonilla.

The Labor Minister has ordered the administrators of the establishment to reopen the business and to pay the workers their salaries. Otherwise, he will be charged daily fines

TEACHERS STRIKE, PUBLIC SERVANTS TO FOLLOW

PY041516 Madrid EFE in Spanish 0823 GMT 4 Jun 84

[Excerpts] Lima, 4 Jun (EFE) -- On 4 June approximately 130,000 teachers will begin a general indefinite strike which will be the starting point for an upsurge of stoppages. On 5 June the teachers will be joined by 600,000 public servants throughout Peru.

The teachers' strike is organized by the Single Union of Education Workers (SUTEP) and, along with the other similar strikes, it is prompted by salary demands.

President Fernando Belaunde Terry has criticized the teachers strike emphasizing that they are "trampling on the diploma which the nation gave them to educate its children."

The Peruvian Government has not officially recognized the SUTEP and has made it clear that it can grant no further wage hikes because due to the difficult economic situation the treasury is not able to come up with the money.

PARIS CLUB DEBT RENEGOTIATIONS 'SUCCESSFUL'

PY052310 Madrid EFE in Spanish 1850 GMT 5 Jun 84

[Text] Lima, 5 Jun (EFE) -- Peruvian President Fernando Belaunde Terry today announced at Government House that Peruvian negotiations with the Paris Club over the Peruvian foreign debt "have been successful."

The Peruvian president noted that Peru had achieved an agreement with its creditors and he added that "in keeping with the guidelines we have followed we can obtain similar results."

Belaunde said that he had been informed about the results of the negotiations by Prime Minister Sandro Mariategui who telephoned from Paris. Mariategui and Economy Minister Jose Benavides were in charge of carrying out the negotiations with the "Paris Club."

Peru renegotiated $1.046 billion of its foreign debt which was due between May 1984 and July 1985, which is when the present government leaves power.

President Belaunde noted that from now till the end of 1985, Peru will pay only 10 percent of this debt, and that the remaining 90 percent will be paid between 1990 and 1993.

Belaunde said that this proves how much Peru is appreciated abroad and he noted the attention which French Minister Pierre Mauroy had shown toward the Peruvian delegation.

He added that yesterday he received a "cordial" call from Argentine President Raul Alfonsin who informed him about the request that will be made to the forthcoming meeting of chiefs of state and government of developed nations so that they may consider the situation of Latin America as a special case.

Belaunde said that he knows that French President Francois Mitterrand will respond to President Alfonsin's request.

Belaunde urged teachers and public servants to end the nationwide strike they started yesterday in demand of better salaries "now that Peru has achieved this agreement, which will result in an economic recovery that will benefit all Peruvians."

NARCOTERRORISTS BUILD BASTIONS IN AMAZON REGION

PY020057 Paris AFP in Spanish 1634 GMT 1 Jun 84

[Text] Lima, 1 Jun (AFP) -- An Indian chief of the Campa tribe has reported to a local newspaper that groups of narcoterrorists [narcoterroristas] led by Colombians have built three production centers where every 15 days an average of three Colombian airplanes land in the Ene River valley, Peruvian Amazon region. These planes carry between 300 and 350 kg of cocaine paste.

These bastions, located on the left bank of the Ene River, are located in front of the Indian community of Cutivireni, another near the community of Quemnpiri, and a third one on the mouth of the Mantato River, and are heavily protected by approximately 1,000 men.

The drug traffickers, who have modern and sophisticated weapons, fast boats, and other lighter speed boats, strong radio transmitters, and clandestine airports, receive supplies and money in large quantities by air. Their bastions are real fortresses where not even the Indians get close, because they are continuously terrified, the Campa Indian Chief Esais Charete Quinchoke stated. The drug traffickers who receive the support of the terrorists are headed by three Colombians who have not been identified and who bring weapons in and distribute money among the suppliers who arrive with their product to the basions, the Campa Indian chief added.

Moreover, the legal authorities of Huanuco, in the Peruvian central zone, are investigating the disappearance from the Pucallpa Airport of six airplanes seized from a band of drug traffickers, and which should have been handed over to the Peruvian Air Force. The band, made up of five persons and headed by Fernando Alcibiades Zevallos, a prison escapee was captured when it was discovered that a chicken farm was serving as a cover for a powerful drug trafficking organization. The chickens were used to transport the drug, because they were sent to the markets of Iquitos and Leticia, Colombia, filled with cocaine hydrochloride. It was also reported that three peasants were murdered on Wednesday by narcoterrorists dressed in police uniforms, in an Amazon region called Boca Del Rio Tigre, Iquitos, who then ransacked their homes and stole their cattle.

SHINING PATH CLASHES WITH CIVIL GUARD, ARMY

Group Captured by Guard

PY021500 Lima Cadena Panamericana Television in Spanish 0300 GMT 2 Jun 84

[Text] The Civil Guard has captured 18 Shining Path members in Cusco, who had made several terrorist attacks in various parts of that city. Dynamite sticks and a variety of subversive propaganda were confiscated from them.

[Begin recording by unidentified reporter] The Civil Guard has reported the capture of 18 subversive criminals, members of the Shining Path terrorist organization, who had started their activities in Cusco, Sicuani, and Paucartambo. Their arms and explosives were taken in a successful police operation, organized and executed by Civil Guard personnel in direct cooperation with the provincial prosecutor. During the operation, the members of the terrorist organization Shining Path were identified and captured. The group was operating in several cells in Cusco and planned various actions which, if they had not been discovered and stopped, would have spread chaos and unrest with incalculable damage to people and property, above all to the tourist (?attractions) of the city. [end recording]

Shining Path Kills Two

PY041543 Lima Television Service in Spanish 0430 GMT 4 Jun 84

[Text] Yesterday subversive Shining Path elements ambushed a patrol of the Republican Guard in Ayacucho, killing a captain and a guard and taking away thier weapons and uniforms. According to first reports, the subversives ambushed the police patrol which was on its way to Luciana to provide security to the people of that town. The dead are Captain (Ramon Jurado Texeira) and guard (Jose Polaya Ton). Their bodies will be buried in Lima tomorrow.

46 Presumed Terrorists Killed

PY051430 Madrid EFE in Spanish 0131 GMT 5 Jun 84

[Text] Lima, 4 Jun (EFE) -- According to unofficial sources, a police patrol has apparently killed 46 presumed members of the Shining Path terrorist organization in a small town of the Peruvian Andean region.

The government newspaper LA CRONICA and the independent OJO reported today that a confrontation took place on 3 June between the Civil Guard and presumed members of the Maoist group in the town of Jatupampa-Vinchos, Ayacucho Department, 575 km southeast of Lima.

The reports add that a police patrol took the presumed terrorists by surprise and killed 46 persons, including 10 women.

According to the OJO report, inhabitants of the wild Andean region guided the Civil Guard troops to the Shining Path camp.

Both the Interior Ministry and the political-military command of the Ayacucho zone, which is under military jurisdiction, have been silent so far regarding the press reports.

The LA CRONICA and OJO reports state that the Civil Guards seized several Spanish-made Z-70 submachineguns -- probably stolen from the police -- shotguns, and homemade grenades.

BRIEFS

NEW WELL IN PRODUCTION -- Lima, 26 May (AFP) -- It was reported today that the U.S. BELCO Oil Company has found oil in the first well that was drilled offshore at Paita, 1,100 km north of Lima. Although the possible production of the well was not specified, it was noted that the oil that was discovered is of excellent quality. BELCO produces 29,000 barrels of oil per day in the continental shelf, off Talara, and it handles 14 percent of the Peruvian oil production which last year surpassed 171,100 barrels per day. [Excerpt] [Paris AFP in Spanish 1631 GMT 26 May 84 PY]

PRESIDENT, OTHERS ON NATIONAL FINANCE PROGRAM

FL051434 Mexico City NOTIMEX in Spanish 0325 GMT 5 Jun 84

[Excerpt] Mexico City, 4 Jun (NOTIMEX) -- President Miguel de la Madrid today said that the national finance and development program in Mexico is a juridical and legal act of the federal government and is subject to the permanent process of evaluation and follow-up. The Mexican president emphasized that the programs implemented by the federal executive are in no way rigid because the use of instruments and the application of action will be flexible. But the basic view will remain the same.

Secretary of Programming and Budget Carlos Salinas del Gasto, said at a meeting where the finance program was presented that unlike the payment of interests, the growth of current spending would be limited. He added that this action would be taken at the same time as the restructuring of the foreign debt and would allow the government to avoid canceling the country's basic projects. He said that next June and July, medium-term programs for industry, foreign trade, provisioning, rural development, health care, education, and ecology would be announced.

Francisco Labistida Ochoa, secretary of energy, mines, and parastatal industry, said the program offers effective support for planning. He recalled the four main sections of the program: saving, channeling of credit resources, economic relations with foreign nations, and institutional development of the financial system.

Hector Hernandez, secretary of commerce and industrial development, said that the program comprises two main instruments: exchange policy and the selective channeling of credits. It is therefore necessary to maintain a realistic exchange rate and an adequate level of industrial protection.

NICARAGUAN AMBASSADOR ON DESIRE FOR PEACE

FL051642 Mexico City NOTIMEX in Spanish 0230 GMT 5 Jun 84

[Text] Mexico City, 4 Jun (NOTIMEX) -- Edmundo Jarquin, Nicaragua's new ambassador to Mexico, today reported here that Nicaragua had confirmed its inexhaustible desire for peace and the initiation of serious, respectful, and systematic negotiations with the U.S. Administration. The new ambassador told the chairman of the Grand Committee of the Senate, Miguel Gonzalez Avelar, that in the recent communique issued by his country's government after the visit to Nicaragua by U.S. Secretary of State George Shultz, Nicaragua's inexhaustible desire for peace was confirmed.

The Nicaraguan diplomat, who made a courtesy call on the Mexican Senate, pointed out that Commander Daniel Ortega emphasized to Shultz the importance of respecting the principles and norms of international law such as nonintervention and the respect for self-determination. He said that these principles should be the reference point for any negotiations process to normalize relations between the United States and Nicaragua.

The ambassador also denied that his country had turned its back on the United States, because the current administration began the policy of confrontation with Nicaragua. He rejected the idea that Eden Pastora is a threat to the Nicaraguan Government because he is the leader of a revolutionary faction that has more importance internationally than it does in Nicaragua. He also denied that the Government of Nicaragua had participated in the attack of Pastora.

SECOFIN OFFICIAL ON TRADE SURPLUS, FOREIGN TRIP

FL041552 Mexico City NOTIMEX in Spanish 2158 GMT 4 Jun 84

[Text] Mexico City, 3 Jun (NOTIMEX) -- Under Secretary of Commerce and Industrial Development (SECOFIN) Luis Bravo Aguilera today said that Mexico increased its nonpetroleum exports 56 percent during the first four months of 1984, obtaining a trade surplus of $5.2 billion. The SECOFIN official said that the president's call for unity has gotten the public and private sectors to work together and, as a consequence, the nation is coming out of the crisis, achieving economic growth, and maintaining its independence.

Bravo Aguilera was interviewed at the Mexico City airport before leaving for Europe. He said that by eliminating excessive bureaucratic paper work, the federal government had greatly facilitated exporting by industrial enterprises and trading firms.

Bravo Aguilera will take a 13-day trip to the GDR, Poland, Czechoslovakia, and Hungary, with which countries Mexico has commercial treaties that it wishes to extend and amplify. He said that although coffee, cotton, and other products are exported to these countries, the Mexican balance of trade is unfavorable, for which reason Mexico is interested in negotiationg agreements for the sale of other types of goods. Meanwhile, Mexico expects to import technology from the countries Bravo Aguilera is to visit, especially as regards the manufacture of medical products. Poland has offered to give technical assistance for the production of 9 of the 70 products that Mexico will begin to produce.

Finally, Bravo Aguilera said that plans exist to increase the trade surplus by developing the sale of Mexican products abroad to earn foreign exchange.

IMF LOAN POLICY SEEN AS 'SHEER MADNESS'

PA050438 Mexico City UNOMASUNO in Spanish 2 Jun 84 p 7

[Editorial: "The Imprudence of the IMF"]

[Text] IMF Executive Director Jacques de Larosiere has just issued what appears to be his final word on Latin America's difficulties in restructuring its foreign debt. His unpalatable insistence that each country make separate financial arrangements, coordinated by the IMF, is basically a flat refusal to allow each nation to have its own development strategies.

In view of the growing political unrest that the austerity programs have generated in many countries, the IMF stance, consisting of the application of orthodox adjustment strategies, is really the shortest way to bring a stoppage of international payments and worldwide repudiation of the foreign debt. The way things are going, future negotiations will be moved from New York and London to the Latin American capitals.

The subcontinent's debt is in fact multiplying the capital of the U.S. banks, whereas the IMF has each day increasingly fewer resources with which to circulate capital worldwide. (Its resources total less than $100 billion, while the non-oil exporting semi-industrialized countries pay $60 billion in interest and their total debt exceeds $600 billion.)

The IMF's intransigent attitude has destroyed all hopes that international banking policy will be softened. Its officials have not considered the fact that, despite its harsh so-called economic adjustment recommendations, the debtor countries are still chained by their creditor's constant pressures and demands.

The recent signals from Bolivia, Venezuela, and the Dominican Republic have not dampened the bankers' arrogance. Naively or deliberately they ignore the fact that if several countries or one of the large debtors default on their payment, many of their banking assets would be lost.

In view of Latin America's serious debt problem, the present IMF stance can only be termed foolish. To insist on imposing the whole weight of the adjustment programs, including the risk policy [politica de riesgos] -- payment of refinancing operations, fees, differential and other charges -- in order to justify milking the countries is sheer madness. The only risk the IMF and its financial partners should be afraid of is their own recklessness.

OIL PRICES REMAIN STABLE DESPITE RUMORS OF RISE

WA011440 Rome IPS in English 1 Jun 84

[Text] Mexico City, June 1 (IPS) -- Mexico will maintain its current oil export prices through this month, the state petroleum company Pemex announced today, despite persistent rumors here that prices would rise.

A Pemex statement said, however, that officials will keep an eye on events in the Gulf war between Iran and Iraq, which has caused the speculation that Mexico will raise its oil prices. Mexico "will maintain contacts with the governments and oil companies of comsumer and exporter countries," the statement said, "to help avoid a crisis or at least keep it within manageable limits."

The Energy Ministry staff which directs Pemex studied the "growing risks" of a possible interruption in oil exports from the Gulf and determined that "it could have a severe disrupting effect on the international market," the communique added.

For now, Mexico will maintain the current prices of $29 per barrel of light "Istmo" crude, in effect since 1983, and $25.50 for heavy "Maya" oil, set last month. The price for "Maya," which has a 23-grade rating from the American Petroleum Institute, has been increased three times in the last year.

The price rises have increased Mexico's oil earnings by $155 million to date, and will earn the nation an additional $420 million by the end of this year. Pemex expects to earn about $16 billion in oil sales this year to Mexico's foreign consumer countries, which number about 25.

Although the Pemex statement today quelled rumors of an immediate oil price rise, it indirectly indicated that an increase may be in the cards as a result of the Gulf conflicts. Pemex stressed "the urgent need to maintain an open and continuing dialogue with all the main forces in the international oil market," and said that Mexico sees this policy as especially timely "now, when the probability of a sudden price adjustment is increasing." Oil industry experts here predicted that if that "sudden adjustment" occurs, Mexico will not be the first to adopt it, or will do so in a joint decision with the Organization of Petroleum Exporting Countries (OPEC). Mexico does not belong to OPEC but maintains close ties with the organization.

The "difficult international situation" in the oil industry cited by Pemex could also affect Mexico's exports, according to reports in Mexico City. Pemex General Director Mario Ramon Beteta said May 30 on a television program that Mexico could increase oil production by 10 percent over the current level of 2.7 billion barrels per day. But he said that "except in case of an emergency," Pemex will stay with the current export ceiling, averaging 1.5 million barrels per day.

FOREIGN SECRETARIAT ON POLICY OPTIONS, PART 2

PA010416 Mexico City UNOMASUNO in Spanish 12 May 84 p 5

["Part 2" of report by Ricardo Aleman on Foreign Relations Secretariat's "Analysis of Mexican Foreign Policy on Central America and the Caribbean"]

[Text] The insurrection in Guatemala and the repressive attitude of the Guatemalan Government are of primary importance to Mexico, since the ebb and flow of those two factors represent a serious problem for our country 's security and a continuous source of problems; thus, relations with that neighboring country will necessarily become a major facet of our foreign policy in the immediate future.

Commenting on our country's relations with that neighbor to the south, the analysis of Mexican foreign policy toward Central America and the Caribbean notes the foregoing and states that this problem is compounded by the fact that the actions and responses of the Guatemalan military apparatus make it impossible to predict the direction that the repression will take or to form a precise idea of the purposes and objectives of the paramilitary operations that are carried out in that country.

The document adds that the particular characteristics of the border area allow Guatemala to carry out military activities there, which poses a major security problem for Mexico.

It is no exaggeration, the document adds, to state that the Guatemalan regime's unpredictable policy could reduce Mexico's diplomatic options; thus, this matter should be addressed with great care to avoid generating a strategic vacuum with the result that Mexico's actions would actually be dictated by events south of the border with Guatemala. This lack of strategy would then be converted into an obstacle that would complicate Mexico's role in the area.

Meanwhile, in analyzing the traditional ties between Mexico and certain Central American countries, especially Guatemala, El Salvador, and Honduras, the document explains that the anti-Mexican sentiments encountered there are very often the result of government manipulation and that to a great extent those feelings will provide a backdrop of irritability for Mexico's diplomatic dealings with those countries and with the area in general.

Referring to the intensified fighting in El Salvador -- the analysis was made prior to the recent electoral process in that country -- the document states that the FMLN has an enhanced capacity to resist an increasingly demoralized Army; it can therefore be foreseen that over the medium term the conflict in that country will evolve from a localized, rural war into a diversified confrontation throughout Salvadoran territory. The document recommends finally, with regard to El Salvador, that the terms of dialogue in that country be redefined, starting with recognition of the FDR-FMLN.

The analysis describes the situation on Nicaragua's northern border as being of vital importance, explaining that U.S. support for the Sandinist [as published] counterrevolutionaries gravely endangers peace in the region.

The document does not overlook Cuba and its relations with the United States. It states that this problem has become a barometer of events in the area and is undoubtedly the axis used for justifying U.S. diplomatic actions in the area. The fact that negotiations between those two nations have been steadily postponed has led to a climate of tension that has not been favorable toward coexistence in the region or to cooperation among the countries in the area. For Cuba this atmosphere of conflict has not only represented a matter of survival, but has also served as a stimulus for its development, while for the United States it has been a problem not only of security, but also of prestige and credibility. In general, the document notes that in view of the area's complexity, the countries in conflict cannot be viewed uniformly, because in recent times their problems, and hence possible solutions, have become increasingly heterogeneous. Thus it is futile to think of a general, uniform conflict in all the Central American countries. Instead one must think of a group of specific problems, at different states of evolution, representing different degrees of danger, set in a situation that influences the very nature of each conflict. This situation is that of underdevelopment compounded by a lack of political institutions, economic backwardness, and persistent conflict. The document concludes by highlighting Mexico's role in the Central American problem. It notes the diplomatic skill and adherence to principle on which that role is based, which has made Mexico an important interlocutor in the region. Thus, it adds, Mexico's foreign policy contribution has filled a vacuum from which it cannot withdraw without changing the circumstances to the area's detriment.

STUDENT, UNION GROUPS DEMONSTRATE IN CAPITAL

FL061305 Mexico City NOTIMEX in Spanish 0400 GMT 6 Jun 84

[Text] Mexico City, 5 Jun (NOTIMEX) -- Some 15 political, student, labor union, peasant, and civil groups today held demonstrations and marches in Mexico City and in Mexico's interior. The so-called Workers, Peasants, and Masses National Assembly organized the demonstrations for a national civil strike. The demonstrations began around 1000 and ended at night. The demonstrators' principal demands were control of the foreign debt, increased wages, price controls, more flexibility in agrarian matters, and a solution to worker and peasant demands. The national assembly's activities and their call for demonstrations was denounced by political parties, labor organizations, legislators, and officials who said that the people should be alert to activities which they described as provocative actions against Mexico.

In Mexico City, the demonstrations were held in front of the Secretariats of Interior, Trade, Labor, and Health, the Juarez Monument, the Three Cultures Square in Tlatelolco, the Revolution Monument, the National Autonomous University of Mexico [UNAM], the Metropolitan Autonomous University, the Superior Normal School, and at several market places and squares. The demonstration ended around 2000 at Constitution Square. In Mexico's interior, the main demonstrations took place in several municipalities of Oaxaca State -- Juchitan, Tuxepec, and Huajuapan de Leon -- and in the States of Coahuila, Guerrero, and San Luis Potosi. The principal organizations participating in the events -- which took place without incident, according to the police -- were the Unified Socialist Party of Mexico [PSUM], the UNAM's workers union, the university workers unions, the nuclear energy industry workers union, and the tenant farmer and city tenant unions such as the Tlatelolco branch coordinator of rooftop housing [as received] and the Plan de Ayala National Coordinator. Also participating in the demonstration were students from the Populist Preparatory School and several of UNAM's schools, and workers from the National Institutes of Cardiology and Anthropology.

ARDITO BARLETTA RECEIVES CONGRATULATORY MESSAGES

Figueiredo, Mitterrand

PA011819 Panama City LA ESTRELLA DE PANAMA in Spanish 30 May 84 pp A1, C8

[Excerpts] Brazilian President Joao Baptista Figueiredo, French President Francois Mitterrand, and Philippine Prime Minister Cesar Virata are some of the world's personalities who have sent congratulatory messages to Panamanian President-elect Dr Nicolas Ardito Barletta.

Dr. Nicolas Ardito Barleta
President-elect of the Republic of Panama

On the occasion of your proclamation as president-elect of the Republic of Panama, I wish to express to you, on behalf of the Brazilian people and myself, my most sincere congratulations and my best wishes for your personal happiness.

I am sure that during the presidential term of Your Excellency, the relations of cooperation between Brazil and Panama will be strengthened.

Joao Baptista Figueiredo
President of the Federative Republic of Brazil
28 May 1984

Dr Nicolas Ardito Barletta
President-elect of the Republic of Panama
Mr President:

On behalf of the French people and myself, I hereby express my congratulations to you for having been elected president of the Republic of Panama.

Often united through history, our two countries have maintained exemplary relations of cooperation. I know the value that Panama, an important member of the Contadora Group, attaches to seeking a peaceful and negotiated solution for Central America's conflicts so that the countries of this region can devote themselves to the solution of economic and social problems affecting these countries. As you know, France supports your efforts and those of the Contadora Group toward this goal.

I wish you success in your new and important office, as well as your personal happiness and the progress of the Panamanian people.

Francois Mitterrand
President of the French Republic
28 May 1984

Singh, Zhivkov

PA020256 Panama City LA ESTRELLA DE PANAMA in Spanish 1 Jun 84 pp A1, A10

[Excerpts] The presidents of India, Bulgaria, and Lebanon, Ciani Zail Singh, Todor Zhivkov, and Amin al-Jumayyil, respectively, have sent congratulatory messages to Panamanian President-elect Nicolas Ardito Barletta, who received his credentials on Wednesday.

Here are the texts of these messages:

Panama, 30 May 1984
Dr Nicolas Ardito Barletta
President-elect of the Republic of Panama
Your Excellency:

I am very pleased to congratulate you for being chosen president of the Republic of Panama. India and Panama have traditionally had a history of friendship and cooperation.

I am certain that under your guidance and leadership the close ties between our two nations will become stronger.

On this occasion, I want to express my best wishes for the personal happiness of Your Excellency and success, prosperity, and progress for the Panamanian people.

Giani Zail Singh
President of the Republic of India

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23 May 1984
Dr Nicolas Ardito Barletta
President-elect of the Republic of Panama

I ask you to please receive, Your Excellency, my friendliest congratulations on the occasion of your election as president of the Republic of Panama.

Todor Zhivkov
Chairman of the State Council of the
People's Republic of Bulgaria

Ecuador's Hurtado

PA030307 Panama City Televisora Nacional in Spanish 2300 GMT 2 Jun 84

[Text] Ecuadoran President Osvaldo Hurtado Larrea has sent a congratulatory note to Panamanian President-elect Nicolas Ardito Barletta. In it, the Ecuadoran Government and people congratulate him for winning Panama's election and extend wishes for the success of the Ardito Barletta administration in bringing well-being to the Panamanian people.

Carstens, Thatcher, D. Ortega

PA040008 Panama City LA ESTRELLA DE PANAMA in Spanish 3 Jun 84 pp A1, D10

[Excerpt] Nicolas Ardito Barletta, President-elect of Panama, has received the following congratulatory messages:

30 May 1984
Dr Nicolas Ardito Barletta
President-elect of the Republic of Panama

I wish to send, on behalf of the German people, my cordial congratulations on the occasion of your formal election as president of the Republic of Panama. I add our best wishes for the prosperous future of that friendly nation and for your personal welfare.

Karl Carstens
President of the FRG

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31 May 1984
Dr Nicolas Ardito Barletta
President-elect of the Republic of Panama
Dr Ardito Barletta:

Please accept my best wishes on the occasion of your proclamation as president of the Republic of Panama. I wish you success during your presidential period.

Margaret Thatcher
Prime Minister of Great Britain

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Republic of Nicaragua
Junta of the Government of National Reconstruction
Managua, 16 May 1984
FIFTY YEARS LATER...SANDINO STILL LIVES!

Dear friend:

On behalf of the Junta of the Government of National Reconstruction and the Nicaraguan people, I address you on the occasion of sending you our congratulations for your recent election to the post of president of the Republic of Panama.

We rest assured that from your high post you will give firm support to the peace contacts being carried out by the Contadora Group, so that it can continue advancing in the search for political and negotiated solutions to the grave crisis which prevails in the Central American region.

Likewise, I wish to assure you that during your presidential mandate the relations of friendship and cooperation which unite the peoples and Governments of Panama and Nicaragua will be strengthened; Panama's solidarity with the Nicaraguan people's just cause will give it a new impulse that will allow our people to consolidate the goals achieved during 5 years of their revolution. Also, the Nicaraguan people and the Junta of the Government of National Reconstruction will remain in solidarity with the Panamanian people's just demands and goals -- which General Omar Torrijos sought to achieve during his time -- in favor of the Republic of Panama's dignity, sovereignty, and self-determination.

I reiterate our most cordial congratulations while sending our best wishes for your personal welfare and that of the Panamanian people.

Fraternally,
Daniel Ortega Saavedra
To His Excellency Nicolas Ardito Barletta
President-elect of the Republic of Panama

PARTIES PROTEST POSTPONEMENT OF ELECTIONS

Republican Party

PA051932 Panama City LA ESTRELLA DE PANAMA in Spanish 4 Jun 84 pp A-1, A-10

[Communique issued by the Republican Party in Panama City on 3 June]

[Excerpts] Despite the statement by Magistrate Cesar Quintero, president of the Electoral Tribunal, to the press on Friday afternoon that everything was ready to hold the elections that should have taken place today, Sunday, 3 June 1984, as required by

law, the Republican Party was surprised by the Electoral Tribunal's decision, contained in Decree No 194 of 2 June 1984, to reschedule the election for mayors, councillors, and Corregimiento representatives.

The postponement of elections is in every way a regrettable and censurable act, reflecting a serious and unacceptable lack of foresight and responsibility. This applies to Electoral Tribunal officials, who are directly responsible for ensuring that there is plenty of time to set up the elections and carry them out on the scheduled date, as well as to the contracted companies that were hired and will receive payment for their services

This incident has hurt all Panamanian citizens, and it has brought considerable moral, electoral, material, and economic damage to candidates, independent as well as those affiliated with the various political parties.

Since there is nothing we can do about this situation, the Republican Party wishes to express its most vigorous protest over this irresponsible lack of foresight and, in the face of the problems arising, urges all of its members and Panamanians in general to remain calm in order to allow, as soon as possible, a re-channelling of the country to the path of normalcy in all its activities.

On behalf of the Republican Party,
Jose B. Cardenas, vice president

Popular Action Party

PA0517[illegible]9 Panama City LA PRENSA in Spanish 6 Jun 84 p 10A

[Excerpts] The Popular Action Party [PAPO] has protested the Electoral Tribunal's illegal decision to postpone the elections scheduled by Article 147 of the Electoral Code for the first Sunday in June. The tribunal's arbitrary and illegal decision is intended to affect our party's political interests and prevent the triumph of our candidates for mayors and representatives throughout the country.

PAPO accuses the Electoral Tribunal of committing a new electoral crime by illegally suspending the elections. This crime is described in Article 316 of the Electoral Code, which establishes a prison sentence ranging from 2 months to 2 years for those electoral officials who "gravely hinder exercise of the suffrage." In illegally hindering the municipal elections, without basis for its actions on any norm of the Constitution or the Electoral Code, the tribunal's magistrates have committed a crime that is defined and punishable according to the Electoral Code.

PAPO will go to the polls on 10 June and will win with the decent people, who anxiously await the moment to reiterate that they want a change and that this change will be guaranteed by PAPO.

PAPO Executive Committee

BRIEFS

NEW AMBASSADOR TO INDIA -- Panama City, 1 Jun -- Horacio Bustamante has been appointed Panama's ambassador to India. [Summary] [Panama City LA ESTRELLA DE PANAMA in Spanish 1 Jun 84 p A4 PA]

S. KOREAN ARMY COMMANDER VISITS -- General Chung Ho-yong, commander in chief of the orean Army, arrived in Panama yesterday accompanied by his wife and Lieutenant Colonel Sin il-Sun, Chung's aide-de-camp. Chung, who arrived here from Lima, was greeted by a military delegation of our Defense Forces headed by Colonel Angel Mina and Lieutenant Colonel Elias Castillo. [Summary] [Panama City MATUTINO in Spanish 4 Jun 84 p 10b PA]

COSTA RICA

REPORTAGE ON DEVELOPMENTS IN PASTORA BOMBING

Warrant for Journalist's Arrest

PA051819 Paris AFP in Spanish 1520 GMT 5 Jun 84

[Text] San Jose, 5 Jun (AFP) -- The Costa Rican Government has issued an international arrest warrant against an alleged Danish journalist named Peer Hansen, the principal suspect in the dynamite attack carried out against Eden Pastora last Wednesday, which left 7 dead and over 20 people injured, police spokesmen announced today. According to a Judicial Investigation Agency source, the warrant was issued last weekend because Hansen left the country on Thursday. His whereabouts are not yet known, nor is it known whether he used the same forged passport to enter and leave the country.

For his part, Swedish journalist Peter Torbjoernsson, one of the casualties in the attack, told AFP yesterday that he had been "deceived" by the "pseudo-Dane" who posed as a photographer for a nonexistent agency called EUROPA-SEPT. Hansen was one of the few who emerged almost uninjured by the explosion that killed 7 people and wounded 27 others, including anti-Sandinist leader Eden Pastora, who is now recovering in Venezuela. The Swede, who was staying in the same hotel as Hansen, says he learned that Hansen was using a forged passport through certain phone calls he received from Denmark. Before, he said, "everything seemed to be in order." Now, "I think that he took advantage of me."

According to Torbjoernsson, who suffered first and second degree burns, when he arrived in the San Carlos Hospital in the north, where the injured were taken after the explosion, he saw Hansen, who had apparently come out almost unharmed. "He left very quickly," saying he was going to Miami.

Hansen himself said very little after the attack, merely explaining that he had arrived late at the news conference, which was held in an old house located on the Nicaraguan bank of the San Juan River, on the border between Nicaragua and Costa Rica, 200 km north of San Jose. Hansen explained that he was climbing the stairs when he heard the explosion.

Meanwhile, foreign journalists who are still in local hospitals have not yet been authorized to leave the country. Costa Rican authorities are still blocking the departure of, among others, American citizen Tony Abraham, a correspondent for the ABC Network who was scheduled to leave for the United States on Sunday to undergo "delicate plastic surgery."

Police Dismiss ETA Role

PA052118 Panama City ACAN in Spanish 2056 GMT 5 Jun 84

[Text] San Jose, 5 Jun (ACAN-EFE) -- Today the Costa Rican police dismissed the possibility of ETA [Basque Fatherland and Liberty] involvement in last Wednesday's attempt on guerrilla leader Eden Pastora's life, in which 10 people were killed. A ranking DIS (Intelligence and Security Directorate) official reported to the Spanish Embassy in San Jose today that so far investigations have indicated no ETA involvement. The U.S. ABC Television Network had earlier cited U.S. intelligence sources about such an involvement.

EXPORT COUNCIL OFFICIAL ON L.A. DEBTORS' FRONT

FL052328 Mexico City NOTIMEX in Spanish 2150 GMT 5 Jun 84

[Text] Mexico City, 5 Jun (NOTIMEX) -- Rafael Arguedas, vice president of Costa Rica's Export Council, said today that forming a Latin American debtor nations bloc would be desirable because all the region's nations would be protected this way. In a statement given to the first edition of the midday newspaper ULTIMAS NOTICIAS, Arguedas said the greatest problem Latin American nations face is the large percentage increase [in interest rates], which is overwhelming and will sink them.

Arguedas is in Mexico City to finalize details of the Mexican-Costa Rican bilateral agreement. He said the balance of trade between the two nations greatly favors Mexico. Arguedas said Costa Rica will import such Mexican products as jams, agricultural products, and other items, adding that this would not affect any Mexican firms [as received].

Ernesto Ruiz, president of the Costa Rica-Mexico Bilateral Commission of Businessmen, said that, through the agreement, the preferential tariff margin would allow greater trade between the two countries. Ruiz added that while Mexico continues to sell petroleum and its derivatives to Costa Rica, Costa Rica would import other products, for which it has already made a list.

EL SALVADOR

FOREIGN MINISTER DISCUSSES POSITION ON CONTADORA

PA051438 San Salvador Radio Cadena Sonora in Spanish 1700 GMT 4 Jun 84

[Interview with Foreign Minister Dr Jorge Eduardo Tenorio by an unidentified reporter; date and place not given -- recorded]

[Excerpt] [Reporter] Doctor, what is the government's position on the Contadora Group's situation? It has already been explained by the president, but I would like to hear your impression of the Contadora Group and the steps it is taking to achieve peace in Central America. How will you follow up, Doctor?

[Tenorio] First of all, allow me to send an affectionate greeting to Radio Sonora and the Salvadoran people in general. I have neither visited my office nor had the chance to read any official documents yet. However, like any Salvadoran involved in my country's fate, I have closely followed the Contadora process. The government's official position -- and naturally my own as a follower of the mandates of President Duarte, who is the real director of the foreign policy in accordance with the Constitution -- is that we appreciate any effort made on behalf of peace, whatever its origin, and very especially if it comes from our Latin American brothers. We think that the Contadora Group, or rather the process of pacification through the Contadora Group, is an excellent effort intended to achieve stability in Central America and Latin America in general. To the extent that that effort succeeds, it can become a suitable means of achieving peace. Naturally, it is not the only means, there are other ways, but it reflects Latin America's concern with achieving stability in Central America. Both President Duarte and I, his minister in the area of foreign relations, regard the Contadora Group as a sincere and honest effort by four fraternal Latin American countries, which are also democratic countries.

[Reporter] Dr Tenorio, within Contadora there are specific political, social, and economic commissions.

[Tenorio] That is true.

[Reporter] As foreign minister, will you change the members of these commissions, or will they remain in their posts?

[Tenorio] It would be premature to say whether the members of these commissions will be replaced. The truth is I have not yet had the chance to even read the lists containing their names, because I was sworn in on Firday, which was a national holiday, and since then I have mostly been talking to the foreign officials who visited us, who were many, thank God. I do not even know who the members of those groups are. However, I have always believed -- and this is something I wish to explain here -- in the continuity and preservation of a country's institutionality, and if our government regards those who make up the groups dealing with the economic, social, political, and security aspects within the Contadora Group as suitable individuals, I see no reason for replacing them.

DEPUTY MINISTER FOR SECURITY ON NEW OFFICE

PA051729 San Salvador EL DIARIO DE HOY in Spanish 4 Jun 84 pp 11, 61

[Excerpt] The office of deputy minister of defense for public security has been established as a new organization that will be entrusted with controlling the functions of National Police, the Treasury Police, and the National Guard. Previously, these controls were exercised by the defense minister. However, it is clear that the defense minister cannot control everything, because his principal concern at present is the guerrillas. It has been said that anything could happen if special attention were not paid to terrorism. Therefore, the deputy minister for public security will be in charge of the three security corps.

On Saturday, 2 June, we interviewed Colonel Reynaldo Lopez Nuila, who was director general of the National Police until 31 May 1984. He performs the duties of deputy minister at his old office at the General Police Directorate because so far the new organization does not have even one chair. The new organization was born without diapers, crib, or baby bottle. Col Lopez Nuila said in this respect: "The creation of the new position has some interesting projections. The main thing is to establish, within the military command structure, a command over the three security corps, so that there will be a complete command structure and a complete organization of their activities." He added that according to the national Organic Defense Law, the security corps will also have, in addition to the specific functions described by the law as auxiliary bodies of the judicial branch, purely military functions, and these are to cooperate with the efforts of the various activities of the Armed Forces specified in the Constitution.

Col Lopez Nuila added: "With the establishment of the office of deputy minister for public security, from this day forward the activities of the security corps will be completely coordinated so that there will be no duplication of effort. This means that each security corps will be assigned its own area of territorial responsibility and its own area of jurisdictional responsibility. Naturally, this will make the security corps more efficient and more effective."

Question: Are there any plans to eliminate the security corps in the near future?

He replied clearly that at the present time there are no plans to eliminate any of the security corps. "What we are trying to do is to improve coordination to make the work of the security corps more efficient. This was the sole purpose of my appointment. Anything else that may be said in this respect is simply speculation." Lopez Nuila said that initial contacts have been made with the directors of the other security corps to begin work and immediately initiate the coordinated activities of the three security corps.

Question: What will happen to the General Police Directorate?

"A new police director will have to be appointed. I am sitting at this desk because unfortunately the new deputy ministry has no desks or chairs. We will establish the new offices this month and appoint the new general police director in July."

Question: What can you tell us about the latest police activities?

"The National Police has many activities. It directs traffic. Diplomatic security is part of its activities. The antinarcotics struggle has forced us to remain alert 24 hours a day. Then we have the work of the highway police. The effort of professional policemen to seek a new image of unity with the people is another special function. The police investigations department goes into action when crimes are committed."

In conclusion, Col Lopez Nuila again referred to the office of deputy minister for public security and said: "The three security corps are going to perform one function, as if they were three aspects of a single thing. The important thing is that the people have security. We must create a climate of security so that everyone can go where he pleases any time he pleases."

NATIONAL POLICE REPORT ON 1979-83 ACTIVITIES

PA051954 San Salvador EL DIAIRO DE HOY in Spanish 3 Jun 84 pp 3, 22

[Text] According to a report on its activities during the years 1979 to 1983, prepared by the National Police, the greatest number of kidnappings by clandestine organizations and murders of national policemen occurred in 1980. Commenting on the kidnappings, which totaled 42 that year, the report says that in 1979 there were 16; in 1981, 23; in 1982, 26; and in 1983, 9.

As for the organizations that perpetrated these kidnappings, the report mentions the FPL [People's Liberation Forces], the FARN, Armed Forces of National Resistance; ERP, People's Revolutionary Army; FRAP-ORT [People's Revolutionary Armed Forces-Revolutionary Organization of Workers]; and the Revolutionary Party of Central American Workers, PRTC. Also "undetermined groups, common criminals, The Group [El Grupo], former Major Roeder Escobar, and the FMLN."

Concerning national policemen murdered in 1980, the report places the figure at 59, indicating that in 1979 there were 39 such murders, 26 in 1981, 47 in 1982, and 34 in 1983. Referring to guardsmen killed, the report states that 23 were killed in 1979, 57 in 1980, 95 in 1981, 96 in 1982, and 87 in 1983. As for Treasury Police, the report says that 3 were killed in 1979, 35 in 1980, 17 in 1981, 26 in 1982, and 23 in 1983. With regard to the territorial service or military patrols, 3 were killed in 1979, 126 in 1980, 77 in 1981, 28 in 1982, and 10 in 1983. Another table lists the number of murdered civilians, public officials, retired military men, night watchmen, municipal policemen, and political party members. There were 1,170 such crimes in 1980, 1,230 in 1981, 669 in 1982, and 314 in 1983.

Regarding the number of national Army members killed, the report gives the following figures: 2 in 1979, 88 in 1980, 260 in 1981, 694 in 1982, 506 in 1983.

As for the number of people detained and held for trial by the National Police under charges of being connected with subversive activities, as well as those released later, from 15 October 1979 to 31 December 1983, the report says that in early 1979 there were 13 detentions, 13 persons were held for trial, and 1 unreported person was released. In 1980, the number of detainees totaled 624, 140 were held for trial, and 487 were released. In 1981, 1,210 people were detained, 316 were held for trial, and 902 were released. In 1982, 1,113 people were detained, 447 were held for trial, and 636 were released. Finally, in 1983, the number of detainees totaled 1,025, 507 were held for trial, and 518 were released.

In a passage entitled "We Have Fulfilled Our Duty To Inform," the report says among other things: "An evaluation of the activities carried out by an institution includes the obligation to report on those things that we would prefer not to have happened, but which nonetheless occurred. This situation, very difficult in itself, is much more so when it involves a security organization that is expected to fulfill an essentially positive and exemplary function to serve its people. A report seeks to reflect a situation, certain developments, and actions. This is what we are doing today, for if all companies must present an accounting of their activities to their associates, all institutions must report to their people about the activities carried out during a given period."

COMMANDER ON REBEL ACTIVITY, CIVILIAN COOPERATION

PA051638 San Salvador Radio Cadena Sonora in Spanish 1700 GMT 4 Jun 84

[Interview with Colonel Carlos Rivas, commander of Military Detachment No 2, based in Sensuntepeque, Cabanas Department, by an unidentified reporter; in Rivas' office, date not given -- recorded]

[Text] [Reporter] Colonel, could you tell us how aggressive the guerrillas in Cabanas Department are?

[Rivas] In Cabanas Department the terrorists traditionally have their camps in the area of Cinquera and Jutiapa. We could say that the terrorists' aggressiveness in this department is nil, since they carry out their activities in areas neighboring [word indistinct].

[Reporter] Colonel, do the guerrillas use modern weapons in the clashes?

[Rivas] We could not say that they have modern weapons, but they do have what is known in military terminology as support weapons, such as 90-mm cannons, M-60 machineguns, and 8-mm mortars. They also have Chinese 57-mm mortars or cannons, and bazookas. So they do have [words indistinct]. The Armed Forces have been seizing these weapons from them lately, so we expect that within a short time we will be able to take these weapons away from them, weapons which hurt the civilian population so much.

[Reporter] Has the Army destroyed any guerrilla camps?

[Rivas] Yes, prior to the 6 May election we destroyed several camps west of Ilobasco (?and) Tejutepeque. However, the camps that are located in Cabanas Department, in the area of Cinquera and Jutiapa are zones of influence of the terrorists based on Guazapa Hill, in Suchitoto, and in Tenancingo in Cuscatlan Department. The terrorist groups that have their camps in the southern part of Chalatenango Department also have a sphere of influence.

[Reporter] Has the Army been able to discover and dismantle some of these guerrilla training camps?

[Rivas] Yes, several of them have been discovered and dismantled, mostly as a result of the cooperation we receive from the civilian population and from deserters from the terrorist groups. The deserters turn themselves in with their weapons. So far, about 38 terrorists have come to this detachment bringing their weapons -- M-16, FAL, and (?G3) rifles, M-60 machineguns, and Chinese bazookas.

[Reporter] You say that several terrorists recently turned themselves in with their weapons?

[Rivas] Yes, five of them turned themselves in yesterday, four of them with their rifles. You will have a chance to see and talk to them after this interview. They had M-16 rifles. Several came from the area of Nuevo Eden de San Juan, others from Cinquera.

[Reporter] How would you regard the reactions of the peasants who live in the cantons attacked by the guerrillas? Do these peasants cooperate with the Armed Forces?

[Rivas] With regard to Cabanas Department, which I can talk about, I can say that yes, there is collaboration by the entire peasant population with the Armed Forces, and their actions are very positive. They oppose the terrorist activities directed by subversives in the area. Our people here in Cabanas oppose terrorism, particularly the peasants, who have fully realized that the organizations now carrying out terrorist activities belong to [word indistinct] (?and UTC) [presumably Union of Farm Workers], which were organized more than 10 years ago by Father David Rodriguez and Father [name indistinct], both of whom spent some time in the area of Santa Marta.

[Reporter] Does the Army fully control the entire department of Cabanas?

[Rivas] Yes, we do. Basically this control is exercised when the military patrols arrive in those areas where the terrorist groups reportedly are, yet we are able to enter those areas the minute we decide to. Also, whenever the population requests our aid we are able to reach those areas without any problem. Not long ago we were in the area of Tejutepeque, El Zapote, and Santa Rita, and the peasants in those places asked us to ensure that they would be able to work their soil peacefully. We told them that this is the Army's purpose, that the Armed Forces seek to guarantee peace and tranquillity to the people, especially those in the rural areas, who produce what we consume in the cities.

[Reporter] One last question, Colonel. Now that Duarte has become president, do you think you will receive the support needed to completely eliminate the guerrillas in the Department of Cabanas?

[Rivas] Undoubtedly. President Duarte has already had the chance to command the country as president of the Revolutionary Government Junta, and when he visited this headquarters during his electoral campaign -- although I am not authorized to say this I think it is good to announce it -- he told me that the Armed Forces would receive his entire support. This is something that he has said on several occasions.

[Reporter] Thank you very much, Colonel. Do you wish to add anything else?

[Rivas] Yes, I would like to thank Radio Sonora for this chance to address the people of Cabanas.

I would especially like to urge them to have confidence and faith that the Army, the security bodies, the Armed Forces in general, stationed in this department will provide the guarantees they need to develop their normal activities so that we may live in tranquillity and peace and work to support our families. This is my greeting to the people of Cabanas. They should have faith. I reiterate my position that any time they have a problem the doors of this departmental headquarters will be open to them.

COPREFA REPORTS FMLN CASUALTIES IN CLASHES

PA051731 San Salvador Radio Cadena YSU in Spanish 1800 GMT 4 Jun 84

[Communique released by the Armed Forces Press Committee, COPREFA, date not given]

[Text] A total of seven FMLN terrorists were killed last weekend in the eastern part of the country. Troops of the 3d Infantry Brigade clashed with the terrorists in El Amate Canton, in San Miguel. As a result of this clash, six extremists were killed, an undetermined number were injured, and abundant ammunition was seized. In another incident, troops of the Morazan Battalion, of the Commando Instruction Center in San Francisco Gotera, caught a terrorist squad by surprise near Las Cruces village, in the jurisdiction of [name indistinct] in Morazan. A terrorist was killed in this action.

POLITICAL-MILITARY SCHOOL PRAISES DEAD MILITANT

PA041630 (Clandestine) Radio Venceremos in Spanish to El Salvador 1400 GMT 3 Jun 84

[Communique issued by the Lieutenant Edgar Political-Military School; date and place not given]

[Text] Sunday, 3 June, marks 1 year since Comrade Lieutenant Edgar's death in combat. At the time of his death, he was a Salvadoran Communist Party militant and squad leader of the Rafael Aguinada Carranza Battalion's 2d Company. Edgar joined the armed liberation troops in 1980 when he was 15 years old. He distinguished himself for his resolution, aggressiveness, and hatred of the enemy, as well as his political achievements. Edgar carried out his duties as artillery squad leader brilliantly and later joined the Rafael Aguinada Carranza Battalion upon its creation. In January 1983, Edgar became a lieutenant and was appointed squad leader. In that capacity, on 3 June 1983, he was killed as he led an attack on the command headquarters of the enemy's Army in Tenancingo. He was killed inside the headquarters by a grenade as his squad was securing the occupation.

Lt Edgar is an example of the excellent qualities of the FMLN's young officers and of their profound love for their people -- for whom their best sons give their lives. In marking the first anniversary of his death in combat, we pay him well-deserved homage and reaffirm our commitment to fight until victory. On this significant date, the Lieutenant Edgar Political-Military School greets all FMLN sister political-military schools that make a reality of the objective of turning each Salvadoran into a good revolutionary fighter through the mass participation of our people, who are preparing themselves to face and defeat U.S. intervention and its puppets.

On this date, we greet the fighters, chiefs, and alumni of our political-military school represented today in various FMLN units, in which they strengthen their commitment to the revolution, the homeland, and the party. We also wish to greet students and instructors who are currently carrying out missions in various sectors of the country.

Companero Lt Edgar, your generous blood has fertilized the country from which dozens of new and courageous revolutionary fighters have sprung. Companero Lieutenant Edgar is present now and will be ever present. In the name of those dead, our dead, we vow to win. United to fight until final victory! Revolution or death, we shall win! Proletariat of all countries, unite!

GUATEMALA

POPULIST PARTY LEADER ON TALKS AT U.S. EMBASSY

PA051955 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 5 Jun 84

[Text] The Populist Party has said that all the parties were invited to a dialogue in the U.S. Embassy. Populist Party Secretary General Asisclo Valladares Molina said that all the political parties that are participating in the current democratic process were invited a few days ago to talk with U.S. Embassy officials, but that none of the parties disclosed this. Asisclo Valladares said that in the meeting with U.S. officials, he clearly stated that under a Populist government, the U.S. people will find a friend that will try to establish in our fatherland a truly different Guatemalan political model.

He also said that if the United States wants to cooperate with Guatemala, it has two paths: The first is the sad and shameful path of pushing us into an arms race with the political groups that have only been able to maintain themselves with repression. The second way is to choose the clear and open path of cooperation for peace and development. According to Asisclo Valladares, these were the most important points that the Populist Party discussed in a recent meeting with U.S. Embassy officials to which other political parties were invited.

ARMY EXPECTS GUERRILLA ACTION AGAINST ELECTIONS

PA050349 Panama City ACAN in Spanish 1834 GMT 4 Jun 84

[Text] Guatemala, 4 Jun (ACAN-EFE) -- Today a military spokesman said that the Army is expecting "direct acts" by the guerrillas to obstruct the constituent assembly elections scheduled for 1 July. Colonel Edgar Djalma Dominguez, chief of military information, said to journalists: "The subversives will try to prevent the transfer of ballot boxes and ballots to the polling stations and to keep the people from voting." The officer added that the country's Security Council had foreseen an increase in political violence as the election date drew closer. "The guerrillas do not want Guatemala's return to constitutionality and democracy, since once the de facto military government disappears they will lose a rallying point," Col Djalma said.

He explained that the need to offer the people the greatest security during the electoral process was the reason for the Army's decision not to send troops to the "Grenadier I" maneuvers taking place in Honduras with the participation of troops from that country, the United States, and El Salvador. "In order to be on a par with the Salvadoran troops (1,200 men) and the Honduran troops (700), Guatemala would have had to send between 700 and 1,200 soldiers to 'Grenadier I,'" he added.

He said that deployment of those troops, which began on 24 May and will end on 8 or 9 June, plus 3 more days for relocation, would have kept the Guatemalan troops sent to "Grenadier I" out of the country until 12 June. "The current electoral process requires the presence of all the security forces available. If they leave their places, subversives would step up their actions to discourage people from voting," he said.

Col Djalma confirmed that the Army will not participate directly in the transfer of the electoral tally sheets, ballot boxes, and ballots on election day "to avoid misunderstandings and charges of favoritism toward particular parties." Nevertheless, the military spokesman reveals that troops will be on guard and will cooperate with the agencies and private enterprises charged by the Supreme Electroal Tribunal with the transfer and control of the votes and electoral tally sheets.

CIVIL DEFENSE STOPS HELICOPTER AT BORDER

PA051822 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 4 Jun 84

[Text] It was reported today that Guatemala Civil Defense patrols have captured three alleged Mexican theologists who were traveling in a helicopter in Agua Dulce, (Chimilco), Huehuetenango. According to reports, the aircraft had entered 4 km from the border between the two countries. The names of those captured are Manuel Busto Orozco, Hector (?Perez) and Antonio Rocha Ramirez.

SUBVERSIVES SEIZE FARM, KILL ADMINISTRATOR

PA051848 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 5 Jun 84

[Text] At 1700 yesterday a group of subverisves seized the Monte Carlo farm in the jurisdiction of the municipality of Chicacao, in Suchitepequez Department. The subversives held a meeting in which they read several manifestos against the regime of Division General Oscar Humberto Mejia Victores. They tried unsuccessfully to convince the inhabitants of the farm to accept their false promises of land and money in exchange for giving them food and supplies and urged the inhabitants to join their group of subversive bandits. Seeing the inhabitants' indifference to their appeals, they burned the farm's main building and shot to death Julio Lopez, the farm's administrator.

HONDURAS

EDITORIAL CRITICIZES U.S. MILITARY PRESENCE

PA051845 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 5 Jun 84

[Station editorial]

[Text] International reports disseminated in Washington and Honduras through radio stations and newspapers told us last week, and still tell us today that the new Honduran military command has formally requested that the United States reexamine the U.S. military presence in our country. Although no official reaction has occurred in Tegucigalpa, we suppose that, given the honesty of the U.S. news media, the rumor is not far from the truth. Honduran Government officials have opportunely realized how disadvantageous it has been for Honduras to give the United States the right to have a military presence here. This military presence has made us appear as an occupied country before international opinion.

We suppose Honduras has proposed that the United States reexamine its use of Honduran territory for training Salvadoran soldiers and carrying out joint exercises because, in a furture conflict, Salvadorans would be able to fight in Honduras better than in their own territory. Salvadorans are receiving the most benefits, because they are being trained with our soldiers, are getting to know their weaknesses, and, in addition, we will be familiar with Honduran geography inch by inch.

We can suppose, also, that if Honduras has considered this military presence -- from which Honduras has not profited -- it is because the constitutional government has begun to meditate on what we have been stressing on this program: That the United States wants to exhibit us, or has been exhbiting us, as its showcase, an an example of how a small, undeveloped country hitches its wagon to U.S. interests without asking for too much.

No one in Honduras has been able to explain why the constitutional government of Dr Roberto Suazo Cordova has followed a policy of complete surrender to the United States, because this government was the least entitled to adopt so vulgar a surrender, which appears most ridiculous in the eyes of the world. We know that the United States is not supporting us in a manner commensurate with the assistance we are giving.

The issue is not to be communist or anti-Yankee, or to try to beg with a cane in our in our hands. The issue is not to be more royalst than the king. It is not even necessary to open our eyes wide to see what is happening. The United States has received more than adequate assistance from Honduras in difficult moments when the United States has had to demonstrate its power to its big adversaries -- with whom the United States contends for world supremacy -- who have dared to touch Uncle Sam's interests in Central America.

In Honduras, there is now a U.S. military presence as has never been seen before. What happened in the times of Froilan Turcios was child's play -- merely some Marines, who nevertheless were repudiated by the Hondurans of those times. These citizens were much more homeland-conscious than those of today.

The U.S. Army has not come to Honduras on vacation. It has come to stay, with a full training center that is tantamount to a military base. The U.S. Army has stationed itself in territory good for farming, where our country could profit from agriculture and from which local residents used to get their food.

Yesterday, we read a demand by the Aguan cooperative members presented to the U.S. ambassador. This is a demand rather than a petition, because the peasants have asked that the United States send machinery to dredge the Aguan River which, when it overflows because of the rains, causes disastrous floods. It seems paradoxical, but it is here in the Aguan Valley that hundreds of millions of lempiras have been spent which the big international financial organizations have handed over to us. The region, however, has not been protected, because the government like any bad cobbler, has created in this region the necessary conditions for development but forgot all about protecting its investment. Now, in one rainy season this may turn the whole effort to nought.

The U.S. Army in Colon Department might very well carry out civic activities so that all this land -- which could be flooded -- could be transformed into land suitable for farming without fear that 2 or 3 days of rain would ruin a whole season's efforts. We believe that a civic action plan by the U.S. Army to dispel any flood threat in the Aguan valley should be a mandatory requirement for any new allocation of Honduran teritory -- namely, in Colon Department, to enlarge the CREMS [Regional Military Training and Security Center].

The Americans have the ncessary technology for this task, and there is an abundant workforce because the Americans themselves handle thousands of men in the CREMS. In addition, the Aguan valley cooperative members have offered their cooperation in construction of the longed for dikes on the Aguan River.

We don't want to anticipate anything. We know of this request made by Aguan valley peasants to U.S. Ambassador Negroponte. We are fairly sure that in 2 months the diplomat has not made the slightest proposal to his superiors in Washington.

We also know what the U.S. news media reported: that the United States is planning to enlarge the CREMS, occupying more Honduran territory. We also know that Pentagon strategists have set their eyes on firm, tillable land, dismissing any land that could be flooded.

We therefore insist that we have sufficiently qualified in the world as a servile country, prone to surrender our territory. The constitutional government of Dr. Suazo Cordova must demonstrate that it has assumed full control at home since the departure of Alvarez Martinez.

To compensate the country -- to provide what it should have received in exchange for the great support given the United States, the government should take a new position, demanding from the U.S. Government more equitable reciprocity for the many things this government has already given the United States. We believe that a U.S. Government pledge to dredge the Aguan River would at least compensate for the few benefits we receive from the U.S. military presence.

ARMED FORCES SAID MORE CONCILIATORY TOWARD LABOR

WA061220 Rome IPS in English 1 Jun 84

[By Manuel Torres]

[Text] Tegucigalpa, June 1 (IPS) -- Honduras' Armed Forces commanders are adopting a more conciliatory attitude toward the country's labor sector, opening talks with trade union leaders of all political stripes.

May 28, Armed Forces Commander Gen Walter Lopez Reyes held unannounced talks with top union leaders, and reported that the encounter was "frank and fruitful." At Reyes' side were several colonels who were among the younger military officers responsible for ousting Reyes' predecessor, Gen. Gustavo Alvarez, two months ago.

Alvarez, who took over the Honduran Armed Forces in January 1982, was dismissed by President Roberto Suazo Cordova on March 31, in an abrupt move that suprised Honduran and international observers. He was a staunch anti-communist and rigid opponent of the Sandinist government in Nicaragua, Honduras' southern neighbor, and took advantage of the massive U.S. military aid to rapidly expand the Honduran military. During Alvarez's term of command, several top Honduran trade union leaders were killed by right-wing paramilitary groups. The former military commander also founded the Association for Honduran Progress (APROH), a far-right organization that proposed state intervention in the trade unions, universities and peasant farmworkers' groups, to replace leaders seen as leftists.

The very different stance which Gen. Lopez Reyes appears to be taking toward those groups has come as a surprise to leaders of leftist political groups, the Social Christian Party and government supporters, who are accustomed to the "iron hand" of Alvarez. One leader of the United Federation of Honduran Workers (FUTH), considered a leftist group, told IPS that "Gen. Lopez Reyes has not shown the prepotence or the agressiveness of Alvarez." "He promised not to promote actions of force against the union movement and said he is open to dialogue as the path of negotiation," the source said.

The FUTH leader said it is uncertain whether the military command has abandoned Alvarez's doctrine of "national security," and noted that "the security apparatus mounted by Alvarez is still organized."

Many trade unions have issued statements demanding that the Armed Forces commanders eliminate clandestine jails, bring back citizens who have disappeared, stop using torture against detainees and expel officers who have committed human rights abuses. Those demands were ignored by Alvarez. But Ignacio Adan Benitez, president of a union federation linked to the Inter-American Regional Labor Organization, noted that the new Armed Forces commander "took note of all the proposals which we labor leaders have formulated."

Reyes declared himself a "subordinate of civilian power and respectful of the Constitution," according to Benitez. Because of that commitment, Reyes said he is unable to prevent congress from approving a draft law called "financial adjustment of the public sector," proposed by the president to fix new sales taxes. The taxes were suggested by the International Monetary Fund as a way to reduce the $300 million budget deficit. Honduras is now negotiating an IMF accord for an unspecified amount of loans this year, needed to confront foreign debts of $2 billion, the huge budget deficit and rising unemployment. More than 30,000 people demonstrated May 29 in Tegucigalpa, the capital, to protest the taxes. Participants noted that, unlike many previous protest rallies in Honduras, there was no intimidating military presence at this week's demonstration.

Some opposition sectors are wondering if Gen Lopez Reyes' apparent openness to the trade unions might be a shortlived tactic to gain political ground for the military, or whether it is really a new long-term policy. Lopez Reyes is an expert pilot, trained in U.S. military academies, and was recognized for his role during Honduras' short but bloody war with El Salvador in July 1969.

NICARAGUA

COHA DIRECTOR CITED ON REAGAN 'PUBLICITY STUNT'

PA050413 Managua Radio Sandino Network in Spanish 0000 GMT 5 Jun 84

[Text] Washington -- Larry Birnes, director of the Council on Hemispheric Affairs [Consejo de Asuntos Hemisfericos -- COHA] has said that U.S. Secretary of State George Shultz' visit to Managua was a publicity stunt by the Reagan administration directed at those in the U.S. Congress who oppose the aid to the counterrevolutionary groups. Birnes added that Shultz' visit to Managua is closely linked to the U.S. House of Representatives' vote on aid to the counterrevolutionaries. The administration hopes to present the image that it is open to a sensible solution to the conflict and to use this on Congress to convince them it is necessary to maintain the pressure on the Sandinists by means of the aid to the contras. The COHA director said that the talks between Shultz and Commander Ortega are not an honest effort on the part of the U.S. Administration because the U.S. only seeks a military solution to the Central American conflicts.

COMMENTARY ON CONDITIONS FOR TALKS WITH U.S.

PA052028 Managua Radio Sandino Network in Spanish 1200 GMT 5 Jun 84

["Beyond the News" commentary by Carlos Chamorro]

[Text] During a "Face the People" program held in (Lechecuago), Commander of the Revolution Daniel Ortega Saavedra said that we are willing to make a new peace effort with the United States but we will not sacrifice the revolution.

This is the slogan of the revolution and it has been so since the beginning. Our attitude has not changed and will never change. We did not launch the attacks, they are attacking us. But now, after subjecting us to an unjust and cruel war, they want the world to believe that they are promoting peace in Central America. The historical truth is that U.S. imperialism has always violated our sovereignty.

Nevertheless, we are willing to begin peace talks with the Reagan administration, but only as long as its intentions are good and, above all, realistic [effectivos]. They should stop attacking us by financing the CIA mercenary bands -- actions speak louder than words, the popular saying goes. Then we would be able to announce a fruitful dialogue with our neighbors to the north.

Nicaragua does not want war, but in fact, it is fighting on the battlefield and at international forums because it needs peace to rebuild the country.

We hope that this time the remarks of U.S. leaders will be backed by the deeds and actions of peace, not war.

HUMBERTO ORTEGA ANNOUNCES DEFENSE SUPPORT MEASURES

PA060247 Hamburg DPA in Spanish 0044 GMT 6 Jun 84

[Text] Managua, 5 Jun (DPA) -- Nicaraguan Defense Minister Commander Humberto Ortega said in Managua today that "a people's war is taking place" in response to the military aggression by the United States, which has managed to form "military units" out of the "Somozist counterrevolutionaries."

At a public event, the defense minister said that more than 10,000 "criminals launch daily attacks" on the people and that the U.S. Central Intelligence Agency mined Nicaragua's harbors.

Ortega called on the people to be prepared to "face and defeat an eventual U.S. attack," carried out through direct intervention. He added that the U.S. Administration is trying to seize control of the Pacific region and of Nicaragua's capital city by means of direct intervention, with support from the "counterrevolutionary" forces.

Ortega announced a series of government measures to guarantee the participation of the people in military defense, after pointing out shortcomings in the attention and support given to the military forces, particularly the members of the Patriotic Military Service.

Aside from the plans to "wear out" the Sandinist People's Army (EPS) and the national economy, the United States is carrying out a "campaign of confusion." Ortega added that this year "the war will be expanded" with the establishment by the CIA of some 20 operational bases near the Honduran and Costa Rican borders.

He also said that the United States is carrying out a series of military exercises in Honduras, with Honduran and Salvadoran troops, to prepare for an act of intervention against Nicaragua or El Salvador.

Ortega stressed that the Nicaraguan Government has the political will to seek political solutions by which to overcome the crisis, but added that "an end to this war depends on the U.S. Administration."

DANIEL ORTEGA ON EUROPEAN ROLE, U.S., ELECTIONS

PM051408 Brussels LE SOIR in French 2-3 Jun 84 p 3

[Interview with Junta of the Government of National Reconstruction Coordinator Daniel Ortega by Jean-Paul Marthoz in Managua in May]

[Text] [Marthoz] Do the European countries have a role to play in Central America?

[Ortega] Before the triumph of the Nicaraguan revolution, the European countries regarded Central American problems as a distant drama. Europe left the field open for the United States and looked to other continents with which it was linked by history and colonization.

When a process of change began in Central America, and when the region became an area of world tension, European public opinion and European governments became involved and came into conflict with U.S. policy.

[Marthoz] Do you really think that Europe opposes the United States?

[Ortega] This European attitude cannot be dissociated from the one adopted by Latin America. The Latin Americans and the Europeans want to prevent an aggravation of the conflicts in Central America and to prevent the region being turned into a new hotbed of world tension. These two continents are both advocating a political solution to the problems posed there.

[Marthoz] Without exception?

[Ortega] With the exception of the FRG, where the government has given in completely to U.S. pressures and blackmail. The members of the West German government party would be ashamed if they were aware of the role which the FRG is playing in Central America. The West German Government is the accomplice of the criminal U.S. policy.

[Marthoz] But what can Europe really do?

[Ortega] We think that Europe is important for persuading its U.S. ally of the need to reach an agreement with Nicaragua within the framework of mutual security. Since the United States has failed to impose its viewpoint on the European countries, the Nicaraguan revolutionary plan has been strengthened -- a plan based on nonalignment, a mixed economy, political pluralism, and human rights which is closely linked with pluralist cooperation at international level.

[Marthoz] Has the risk of a U.S. intervention increased?

[Ortega] The United States has succeeded in imposing a military presence in Central America on Congress and public opinion. It is increasing the number of military bases, transferring to Honduras those which it had in the Panama Canal Zone. It has established a whole network around Nicaragua, using Honduras in particular as a base, and it is also trying to use Costa Rica as a base. Its aim is to be capable of launching large-scale military operations with the participation of U.S. troops. However, it has not yet found the right political moment, and the CIA, which implements U.S. policy, is stepping up its provocations, especially from the Costa Rican coast. This situation forces us to be on constant alert. Until there is a firm agreement with the United States, we will not be able to rule out the risk of an invasion.

[Marthoz] Is the doctrine of neutrality proclaimed by Costa Rica at the end of last year fully respected?

[Ortega] Costa Rica is making real efforts to implement that doctrine, but it is faced with U.S. might, which has enough resources to endanger that neutrality. We are witnessing a struggle between the Costa Rican people, who wanted neutrality, and the United States, which, through the CIA, is trying to undermine Costa Rica's neutrality.

Provocations

[Marthoz] Do you have proof of the presence of Revolutionary Democratic Alliance [ARDE] guerrillas in Costa Rica?

[Ortega] We have given the Costa Rican Government abundant proof of the facilities the contras have. We have even warned the Costa Rican Government several times of action planned by ARDE. We have had discussions with President Monge twice and a joint commission has been set up.

The agreement signed in Panama, under the auspices of the Contadora Group -- the establishment of a commission to monitor the border between Nicaragua and Costa Rica -- is an additional factor which demonstrates the desire of our two governments to use dialogue to find a solution to the problems caused by the CIA's activities in Costa Rica.

We even have reports that the CIA intends to take advantage of President Monge's European tour to try to launch a joint attack with ARDE against the Costa Rican Civil Guard. They want to cause the death of Costa Rican citizens in order to bring about the severing of relations with Costa Rica. This measure would be accompanied by the use of the Inter-American Mutual Assistance Treaty, in other words, an appeal to the U.S. Government to launch large-scale operations against Nicaragua.

[Marthoz] You do not see President Monge's visit as an attempt to isolate Nicaragua in Europe?

[Ortega] We think that it is a very important trip because it will make it possible to link the European governments to the neutrality policy upheld by President Monge. This should make it easier for the Costa Rican Government to face the enormous pressures exerted by the United States and the CIA.

[Marthoz] Some people claim that President Monge's arguments could undermine the support Nicaragua enjoys within the Socialist International.

[Ortega] I do not think it would be positive for Central America if Monge spoke in that way in Europe. We hope that Costa Rica will persuade the European governments to give it greater economic aid -- an essential factor for escaping U.S. blackmail.

[Marthoz] How do you explain the current intensity of the fighting between the Sandinist Army and the counterrevolutionaries?

[Ortega] We are no longer fighting against gangs but against a veritable mercenary army which has well established bases on Honduran territory and is supported by the whole infrastructure established by the United States in that country. We have succeeded in exposing the contras' most ambitious plans, which made provision for capturing large cities in the north of the country.

But this does not mean that the struggle is nearly over. It is a very long-term struggle which is above all dependent on the eventuality of a U.S. intervention. Indeed, the United States wants to maintain the presence of this mercenary force so that it can have alternative forces during an intervention.

No Negotiations With the "Contras"

[Marthoz] Why do you not negotiate with the armed opposition, as Archbishop Obando y Bravo has just suggested?

[Ortega] The contras are an artificial element created by the United States. It is therefore with the United States that we must negotiate.

[Marthoz] Your enemies and even some of your Western friends criticize your relations with the socialist bloc...

[Ortega] This criticism is leveled at us by countries that have relations with the socialist countries and that deny us this right. We are consistent in a foreign policy that envisages relations with countries having different political regimes. Nicaragua has received large amounts of aid from countries in the socialist community, as it has from European, Arab, and Latin American countries.

[Marthoz] Have not the aggression, the counterrevolution, and the economic crisis eroded your popular support?

[Ortega] This situation naturally affects our society but the aggression has essentially had the effect of uniting the people. If there is criticism -- and it is encouraged by the government -- it is being made within the revolutionary process and not against it. The people may protest bitterly, but the same people are prepared to take up arms to oppose a Yankee invasion.

[Marthoz] Will the elections scheduled for next November be able to take place in good conditions?

[Ortega] Circumstances are certainly not as good as they might be, but these elections are a challenge for the revolution and its institutionalization. The rules are curiously reversed: While the United States demanded that we hold elections, it is now opposing them. The United States is the greatest enemy of the elections.

[Marthoz] The opposition is talking a great deal about abstaining...

[Ortega] It is as if the minority parties in Europe, just because they are in a minority, began to question the electoral system and boycott it. However, in our country abstention will not be due to an infantile attitude by the right. If it takes place it will be the result of actions carried out by the United States to influence the credibility of the elections.

CUBAN DENIAL OF ETA ROLE IN ATTACK REPORTED

PA051602 Managua Domestic Service in Spanish 1306 GMT 5 Jun 84

[Text] Havana -- The Cuban Foreign Relations Ministry today issued a press note rejecting U.S. Administration lies about presumed participation by an ETA [Basque Fatherland and Liberty] group in the attack on counterrevolutionary Eden Pastora. Following is the text of this press note:

An AFP dispatch from Washington dated 4 June reproduces an ABC Network report, citing U.S. intelligence sources, stating that six members of the Basque separatist ETA group -- who had been in Panama after being expelled from France in January and later travelled to Cuba as reported by Spain's Prime Minister Felipe Gonzalez, thanks to efforts by Spain and Panama -- reportedly took part in the attack on traitor Eden Pastora on the evening of Wednesday, 30 May. The AFP dispatch also stated that, according to U.S. intelligence sources, the six Basques later travelled to Cuba and then to Nicaragua, where they stayed at the Camino Real Hotel in Managua, disguised as Spanish newsmen.

The Cuban Foreign Relations Ministry can state that this is an ominous, clumsy attempt by U.S. intelligence agencies which can be easily disproved. The people referred to in this report have never left Cuban territory. The physical identification of all those present at the site of the attack on Pastora could be easily determined. This would prove that the people referred to were not there and could not have been among those present.

[Signed] The Foreign Relations Ministry, 4 June 1984, year of the 25th anniversary of the revolution

LACK OF DUARTE INVITATION 'UNFRIENDLY GESTURE'

PA050458 Managua BARRICADA in Spanish 31 May 84 p 10

[Excerpt] Nicaraguan Deputy Foreign Minister Jose Leon Talavera yesterday said in response to questions from newsmen that "we are concerned and surprised at not having received an official invitation from the new Salvadoran Government to attend the inauguration of President-elect Napoleon Duarte."

He made the statement during a news conference, at which he reported on the first bilateral meeting of the Costa Rican-Nicaraguan Border Supervision and Prevention Commission currently being held in Managua. He added that Salvadoran President Duarte, who said during his campaign that he was open to dialogue, has made an unfriendly gesture toward his neighbors 48 hours before his inauguration.

"We would have studied with interest an invitation, which would have been appreciated as a positive gesture from a government with which we maintain diplomatic relations," the deputy foreign minister said.

WARNING SHOTS FIRED AT CIVILIAN AIRCRAFT

PA050440 Panama City ACAN in Spanish 2149 GMT 4 Jun 84

[Text] Managua, 4 Jun (ACAN-EFE) -- A civilian aircraft was the target of warning shots fired last night by Sandinist antiaircraft guns when it failed to report that it was approaching Sandino International Airport in this capital, the Nicaraguan Air Force reported today.

According to official reports, the aircraft was on a domestic flight but had a mechanical failure and was unable to announce that it was approaching the airport.

According to unofficial reports, the aircraft had to overfly Sandino Airport twice at great altitude until its lights and communications system began to function. The aircraft belongs to an agrarian reform transport firm.

TOMAS BORGE ADDRESSES MEETING ON PUBLIC HEALTH

On Actions Against Priests

PA042251 Paris AFP in Spanish 1931 GMT 4 Jun 84

[Text] Managua, 4 Jun (AFP) -- Nicaraguan Interior Minister Tomas Borge has announced that the Sandinist government will expel from the country foreign priests who are engaged in "counterrevolutionary activities."

Borge made the announcement after reporting that there are native and foreign priests in Nicaragua who are using their pulpits to deliver anti-Sandinist messages. "There are priests coming to this country to do this job for imperialism, and they should have their visas canceled," he pointed out.

Borge, one of the nine members of the FSLN National Directorate, has asked the Nicaraguans to assume a more belligerent attitude against those "who are using every means to destroy the revolution."

In this respect, he said that the government will send to prison taxi drivers who "criticize" the revolution in front of their passengers, and that their license plates will be taken away.

Speaking before some 3,000 members of the People's Health Brigades [Brigadas Populares de Salud], Borge also announced that in the next few days the Sandinist government will pass several decrees against speculation, the monopoly on basic products, and administrative corruption.

Criticizes Complaining Doctors

PA041520 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 4 Jun 84

[Text] This weekend an assembly was held to evaluate the public health campaigns. Commander Tomas Borge Martinez, the main speaker at the event, analyzed the campaigns. He urged the health workers to continue with the campaigns, and to devotedly develop their professional tasks. Borge also gave a brief report on the achievements that have been made in the area of health in these 5 years of revolution. He added:

[Begin Borge recording] There are a few doctors who tell us that they are annoyed by the revolution's errors, but they never said anything during the Somoza era. At that time they were not in solidarity with the people's struggle. Now they complain, at a time when gigantic efforts toward advancement are being made. It is at this very time that they put on airs of dignity, when our people have won the respect of the entire world. [end recording]

Companero Allan Lacayo, director of MINSA [Health Ministry] in Region 3, gave a report on the tasks that this ministry has carried out.

CULTURE MINISTER RETURNS FROM VENICE CONFERENCE

PA050432 Managua Radio Sandino in Spanish 1830 GMT 4 Jun 84

[Text] Nicaraguan Culture Minister Father Ernesto Cardenal arrived in the country today from Venice, Italy, where he attended a conference on cultural identification.

The conference was held at the ministerial level with the attendance of ministers from America, Asia, and Africa. During the conference Father Cardenal analyzed the cultural problems, achievements, and advances of the country since the triumph of the Sandinist revolution. It is noteworthy that Nicaragua was the only Central American country that participated in this meeting. During his address the Nicaraguan culture minister was interrupted several times [word indistinct] extended applause.

PPSC GIVES FSLN 30 DAYS TO REDEFINE UNITY

PA051856 Managua Radio Sandino Network in Spanish 1200 GMT 5 Jun 84

[Text] Cesar Delgadillo Machado and Mauricio Diaz, top leaders of the Popular Social Christian Party [PPSC], summoned newsmen last night to inform them about the party's stand concerning the conflictive situation within the Patriotic Front of the Revolution [FPR]. In addition to the PPSC, the FPR is made up of the FSLN and the Nicaraguan Socialist Party.

Diaz, the main speaker at the news conference, said his party feels that the FSLN must redefine its position with regard to its relations with its two allies, especially in relation to the policy of national unity needed in the face of the current situation because of the level of imperialist aggression and the eventual opening of negotiations with the Reagan administration.

The PPSC said that the FSLN has handled the policy of unity badly and, for this reason, the PPSC National Executive Committee decided to give the FSLN 30 days to make this redefinition. Let's listen to Diaz:

[Begin Diaz recording] The current political situation, characterized by an increase in military aggression and an eventual opening of negotiations with the present U.S. Administration, calls for a policy of unity, but an effective one. For this reason, the PPSC urges the FSLN to improve its policy of unity by redefining the FPR until it is converted, together with its allies, of course, into a valid and effective instrument of national unity.

We feel that the FSLN, as the revolution's top political force, must implement this policy of national unity clearly. Therefore, we urge it to make this change. We believe that pertinent negotiations can begin in 30 days.

To us, a lack of response from the FSLN in this regard would lead us to feel that we no longer have any commitments with the FPR. [end recording]

In a decision that is somewhat unfortunate, the PPSC also announced last night that it was withdrawing from State Council debates on the media law because it feels that the FSLN has ignored the FPR agreement that a civilian agency would be tasked with supervising the law. Instead, the FSLN changed this decision and has placed this law under the supervision of the Interior Ministry. Here is that part of Diaz' statement:

[Begin Diaz recording] For this reason, the PPSC, acting by itself, without entering into any agreements with any other political force, has decided to abstain from participating in the debates on the media law. Therefore, it has ordered the PPSC delegation at the State Council to temporarily withdraw from that legislative body while the debate is under way. This is our stand with regard to the State Council. [end recording]

SOCIALIST LEADER CAUTIONS OPPOSITION PARTIES

PA050358 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 4 Jun 84

[Text] Nicaragua Socialist Party leader Gustavo Tablada has said that if the political parties do not participate in the elections, they will be taking a political and legal risk:

[Begin Tablada recording] If the political parties do not participate in the elections, they will be taking a political and legal risk, because they have acquired a responsibility to the Nicaraguan people and the revolution. If they want, they can question what the revolutionary government is doing, as sectors opposed to the government usually do, no matter how many positive things the government is doing. These sectors will always criticize what the government is doing; that is their role, to make criticism for local and foreign consumption that will serve their own interests. [end recording]

INTERIOR MINISTRY UNITS ATTEND ELECTION SEMINAR

PA050324 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 4 Jun 84

[Text] Members of Interior Ministry fighting units attended a seminar on Nicaragua's electoral process, and their questions were properly answered by Supreme Electoral Council officials.

Commander Rene Vivas [deputy interior minister] explained the Interior Ministry's important role in the electoral process:

[Begin Vivas recording] The electoral process is taking place while the country is involved in an internal war. The enemy is increasing its aggression, which each day is more dangerous and violent. We do not expect this to stop. On the contrary, the U.S. Government, the CIA, and U.S. imperialism will try to obstruct the elections. This means that the aggression against our people will increase. [end recording]

SALVADORAN REFUGEE PRAISES COUNTRY, COOPERATIVE

PA041635 Managua Radio Sandino Network in Spanish 1200 GMT 4 Jun 84

[Text] Under the slogan, "Shoulder to shoulder, hand to hand, Nicaraguans and Salvadorans are brothers," the first meeting between Salvadoran refugees and Nicaraguan members of the Carlos Fonseca No 2 and Ivan Lopez Cooperatives was held yesterday in Nandayosi, Leon Department. The event was organized by the Nicaraguan Committee of Solidarity With Peoples, CNSP, and was attended by 800 refugees and cooperative members.

Nelida Aguero, who spoke as CNSP representative, thanked both cooperatives for holding the meeting. She also issued a call to work jointly in the face of the problems they might face due to the country's economic situation.

I am very happy to be in Nicaragua, organized in the Carlos Fonseca No 2 cooperative, because this means a lot to us. It increases our standard of living, and we contribute to increased production. This was stated by Antonio Perez, a Salvadoran refugee who is a member of the Carlos Fonseca cooperative, which includes 220 Salvadoran men, women, and children.

[Begin Perez recording] I am very happy to be organized in a cooperative, since it is helping us a lot. We are also helping to increase Nicaragua's production and achieve a better standard of living. When we refugees left El Salvador we knew nothing about what a liberated country like Nicaragua was like. Nicaragua has given us its solidarity and support, and we are free to work and improve our situation along with the Nicaraguan companeros organized in the cooperative. The cooperative is involved in agricultural production and cattle raising. We are planting. We haven't had any results yet because we have just begun. We hope that with all your help we can improve our (?situation) and increase production, since we understand Nicaragua's current situation because it is blocked by the capitalist countries and it is suffering an (?intense) crisis. [end recording]

RADIO REPORTS ON ARMY CLASHES WITH CONTRAS

PA051530 Managua Radio Sandino Network in Spanish 1200 GMT 5 Jun 84

[Text] The Sandinist People's Army [EPS] has annihilated more than 100 counterrevolutionaries in the Jinotega mountains over the past 4 days. The combatants of the German Pomares and Francisco Estrada Battalions for Unconventional Warfare, BLI, are fighting Somozist mercenary groups known as Segovias and Rafael Herrera commands, led by criminals Aureliano and Tigrillo. The contra groups have been hurt badly and, while attempting to regroup, they were attacked by Sandinist Air Force planes.

After suffering a defeat in (Boca de Golondrina) and Turuhua), where they sustained 200 casualties, El Tigrillo's mercenary forces failed to get reorganized in Ayapal.

First Lieutenant Manuel Vindel, commander of the German Pomares BLI, said that the battalion is chasing the Segovia group mercenaries near Wiwili and that these counterrevolutionaries are avoiding combat with the EPS.

In addition, the EPS has dismantled two Somozist task forces led by Quiche and Chaco. The Sandinist forces killed 63 counterrevolutionaries in Cerro Verde and El Algodon, approximately 40 km from Rio Blanco in Matagalpa Department.

Harsh blows were also dealt to Somozist task forces of the Jorge Salazar Command, including several dead, wounded, and captured contras. These forces fled in disarray in the central Zelaya mountains. We have a special report sent by our reporter Abraham Quijano Macanche from the country's northern mountains:

[Begin Quijano Macanche relay] From the Zelaya Central mountains, at the war front against Somozist beasts, we have a special report for Radio Sandino's "Extra" newscast: In the past few days, the Somozist task forces making up the Jorge Salazar Regional Command have sustained many casualties, including dead, wounded, and captured troops, in El Toro, (Milanti), and (Banderitas). They fled in disarray toward the northern mountains. Captain Filemon Aviles, commander of the Simon Bolivar BLI, reported this and added that two task forces were left without their leaders, Quiche and Chaco, and that 63 of their mercenaries were killed in clashes in Cerro Verde, El Algodon, and (Ditina), 40 km northeast of Rio Blanco.

The counterrevolutionaries of the CIA army and the rebels of the Pastoral [not further identified] have a very low morale and are avoiding any clashes with Sandinist troops and the little-hat combatants [combatientes del sombrerito] of the Simon Bolivar Multiple Destination Battalion [Batallon de Destino Multiple Simon Bolivar] because the blows they have received involve more than 90 dead, dozens of wounded and captured men, and military equipment and weapons seized such as FAL, Chinese AKA, and two-handled AKA rifles.

In their retreat and effort to get reorganized, the counterrevolutionaries destroyed three state production units, burned a private farm north of San Andres de Bocay, and kidnapped 30 peasants.

Captain Filemon Aviles, commander of the Simon Bolivar BLI, gave more details in an interview with "Extra" newscast in the mountains of Zelaya Central.

[Begin recording] [Quijano Macanche] Tell us about our forces' offensive against the Jorge Salazar Regional Command. Tell us about recent clashes and the activity of our troops in the persecution of the enemy.

[Aviles] Our forces clashed with the enemy in El Toro, (Miltanti), and (Banderita). The most recent clash occurred from 16 to 18 [presumably May]. We inflicted many casualties on the enemy. The task force that operated in El Toro fled northward. In two clashes we forced them to fight but they fled in disarray.

We left those forces without leaders and they retreated northward. These were the most recent activities in the area. There were some armed clashes when we first arrived in the area. They occurred in the Cerro Verde, El Algodon, (Ditina) region. The enemy sustained many casualties. We killed a total of 63 counterrevolutionaries. After that last clash, the enemy has made no attacks. They are trying to avoid fighting.

There is also another task force we knew about and it is also retreating to the north. We also know about another force [words indistinct] Las Penitas and (Mantera), where our forces were waiting for them. We don't have any reports of clashes there, because the enemy is trying to avoid fighting our troops. Apparently their leaders have given orders to avoid our troops because the results have been very negative for them and favorable for our troops. Throughout all the fighting in this area since we arrived here, we've only lost four companeros in various fights.

However, we killed approximately 88 members of the enemy forces. We also recovered many weapons, such as [word indistinct] FAL, AKA-1, two-handled AKA rifles -- the latter are new ones and they have them.

The presence of the enemy is not the same as when we arrived in this area 2 months ago. Back then they were positioned close to towns but they were dislodged and forced to retreat to the mountains. Our troops are operating in their direction. There have been no clashes with them, but we are expecting results in the next few days. We are waiting for the enemy to stop in their flight to enter into combat again. We hope to have a positive response in regard to armed clashes with the enemy, because we know that their morale is very low at this time because of the blows they have been receiving in clashes that occurred in this area.

[Quijano Macanche] What can you tell us about the way they get supplies?

[Aviles] We have learned through reports gathered in this area that they receive their supplies through (?planes). They have been using a C-47. The peasants know about this. [end recording]

These were remarks by Captain Filemon Aviles, commander of the Simon Bolivar BLI. From the central Zelaya mountains the press group of Radio Sandino has offered this special report for "Extra" newscast, through your reporter Abraham Quijano Macanche. [end relay]

FDN LEADER SAYS FIGHTING 'INTENSIFIED'

PA052215 San Jose LA REPUBLICA in Spanish 30 May 84 p 12

[Text] The commander in chief of the Nicaraguan Democratic Force, FDN, yesterday repoted that the military activity in the center of Nicaragua has intensified in the last few hours and that it is increasing every day. He said that it is totally false that the forces that are fighting in Matagalpa and Sebaco have been disbanded by the Sandinist People's Army, EPS.

In a communique issued yesterday, Adolfo Calero Portocarrero, the FDN commander, described a report about the alleged defeat of Commander "Tigrillo" as "ridiculous" and said that "Tigrillo" "controls an extensive area in the center of the country." Calero disclosed that the most important battles have taken place in Banderias, 120 km east of Matagalpa; and in La Patriota and El Cacao, just 60 km from the departmental capital. He added that the enemy suffered 55 casualties and a large but undetermined number of wounded yesterday.

Calero said that the EPS company that was defeated in La Palmita is wandering about the mountains in Matagalpa Department. This company, which contained 120 men, has been totally broken up.

Calero also said that there is heavy fighting going on in Nueva Segovia, in the areas of El Mojon, La Cucaracha, and La Magdalena, 25 km from the City of Ocotal, where the enemy has suffered many casualties that have yet to be determined.

"Commander Tigrillo is lord and master of Matagalpa and central Zelaya," Calero said, adding that "Tigrillo is an illiterate peasant who fought with the Sandinists during the insurrection against Somoza." Calero disclosed that the FDN forces will begin their winter offensive in July with the addition of 3,000 to 5,000 peasants, who have already been properly trained and equipped.

Calero ended yesterday's communique by declaring that "the penetration toward the south has already gone as far as Chontales, and could go as far as the San Juan River within 60 days."

BRIEFS

CORINTO PORT ACTIVITIES -- Despite the terrorist actions and the mining of ports by the CIA, a total of 157 ships from all over the world have arrived so far this year in the Port of Corinto. Corinto port authorities have reported that this year the port will handle over 1 million tons of cargo, which is an improvement on the gross cargo handling of previous years. [Text] [Managua Sistema Sandinista Television Network in Spanish 0200 GMT 4 Jun 84 PA]

JACKSON INVITED BY CASTRO, TO VISIT IN JUNE

FL051124 Havana Domestic Service in Spanish 1000 GMT 5 Jun 84

[Text] The Foreign Ministry has confirmed that Commander in Chief Fidel Castro, president of the Council of State and government, has invited Jesse Jackson to visit Cuba. The declaration of the Foreign Ministry states that Mr Jackson's intention is to visit Cuba this month. Jesse Jackson is one of the three candidates for the nomination of the Democratic Party for the coming U.S. presidential elections.

MINISTRY DENIES ETA ROLE IN PASTORA ATTACK

PA051646 Havana International Service in Spanish 1600 GMT 5 Jun 84

[Text] The Cuban Foreign Ministry has issued a press note in which it rejects lies by the U.S. Government about the participation of six members of the Basque separatist organization ETA [Basque Fatherland and Liberty] who are in Cuba in the recent attack against Nicaraguan counterrevolutionary leader Eden Pastora.

The Cuban Foreign Ministry note refers to an AFP news dispatch datelined Washington on 4 June which summarizes reports from U.S. intelligence services that were broadcast by the ABC Television Network which said that six members of the Basque separatist group ETA, who were expelled from France in January and who subsequently travelled to Panama before arriving in Havana due to the efforts of the Panamanian and Spanish Governments, participated in the attack on Pastora. The AFP dispatch said that according to the reports of the U.S. intelligence services, the six Basques left Cuba for Nicaragua where they lived in Managua's Camino Real Hotel disguised as Spanish journalists.

The Cuban Foreign Ministry note said that this is a sinister, clumsy invention by the U.S. intelligence services which is easy to unmask. The people to whom the report refers, the official document indicates, have not left our country at any time. It adds that the physical identification of all those present in the place where the attack on Eden Pastora occurred is easy to accomplish, noting that this would prove that the aforementioned individuals were not there.

RECENT DEVELOPMENTS IN PASTORA BOMBING NOTED

PA041738 Havana International Service in Spanish 0000 GMT 4 Jun 84

[Text] The Costa Rican authorities have forbidden the foreign journalists who were present in La Penca, where an attack was staged against Nicaraguan counterrevolutionary Eden Pastora, to leave Costa Rica. According to the authorities, they suspect that one of the persons present at the news conference planted the explosive device. In the attack, which occurred last Wednesday near the Costa Rican City of San Carlos, 8 people were killed and over 25 were injured, including Pastora and his deputy, Tito Chamorro.

In Caracas, Jesus Faria, secretary general of the Communist Party of Venezuela, said that Pastora's admittance to a clinic in that capital may be interpreted as clear Venezuelan support for his actions against the Sandinist revolution. Faria recalled that Venezuela is a member of the Contadora Group, which is seeking a stable and lasting peace in Central America.

HAVANA NOTES SIGNIFICANCE OF D-DAY INVASION

FL051752 Havana Domestic Service in Spanish 1700 GMT 5 Jun 84

[Text] On the occasion of the 40th anniversary of the opening of the second front in Europe during the Second World War, climaxed by the landing of British and U.S. troops on the northern coast of France on 6 June 1944, U.S. President Ronald Reagan will make a visit to this historic place. His visit will have political motives. Western propaganda is trying to emphasize this historic event as the decisive factor which saved European civilization during the Second World War and it attempts to forget or omit the basic liberating role played by the Soviet Army and people during that heroic exploit.

The opening of the second European front was one of the important events in the war, but not the decisive one because Soviet troops not only resisted and repelled the main invasion of the fascist hordes, they also liberated most of the other European peoples, who were subjugated by the Nazis. That landing operation of the Western Allies, although it was the largest of the war, was far from being as important as claimed. Its political objectives were not to conquer facism but rather to halt the victorious push of the Soviet troops, who had already, in fact, defeated the main units of Hitler's army.

ENVOY HOLDS TALKS WITH CYPRIOT FOREIGN MINISTER

FL051520 Havana Domestic Service in Spanish 1405 GMT 5 Jun 84

[Text] Cypriot Foreign Minister Yeoryios Iakovou has received Cuban Ambassador to Nicosia Fermin Rodriguez, according to a PRENSA LATINA dispatch. During the meeting, held in a cordial and friendly atmosphere, the Cypriot foreign minister and the Cuban diplomat discussed matters of interest dealing with Cuban-Cypriot bilateral relations.

ROMANIAN ASSEMBLY LEADER ARRIVES FOR VISIT

FL021353 Havana Domestic Service in Spanish 1000 GMT 2 Jun 84

[Text] Nicolae Giosan, candidate member of the Romanian Communist Party Political Executive Committee and chairman of the Grand National Assembly, has arrived in Cuba at the invitation of the National Assembly of the People's Government [ANPP]. On behalf of ANPP President Flavio Bravo and members, ANPP Vice President Jorge Lezcano warmly welcomed the visitor. The two leaders expressed mutual interest in exchanging experiences on the work of the two assemblies as a contribution to the continued development of relations between the two parties and peoples. The president of Romania's Grand National Assembly also expressed interest in discussing economic, scientific, technical, and trade relations for the purpose of broadening cooperation on the basis of reciprocal advantages.

Meets With Rafael Rodriguez

FL051235 Havana Domestic Service in Spanish 1000 GMT 5 Jun 84

[Text] Carlos Rafael Rodriguez, member of the Politburo and vice president of the Councils of State and Ministers, today met in Havana with the delegation from Romania's Grand National Assembly which is visiting Cuba at the invitation of the National Assembly of the People's Government. The delegation is headed by Nicolae Giosan, chairman of the Grand National Assembly and candidate member of the Romanian Communist Party Political Executive Committee. During their fraternal conversation, they examined matters of interest to both countries, the most important of which were expanded trade and closer cooperative, cultural, scientific, technical, and parliamentarian relations.

FERNANDEZ MELL, OTHERS DECORATED IN HAVANA

FL021534 Havana Domestic Service in Spanish 1045 GMT 2 Jun 84

[Text] The FAR Distinguished Service Medal has been presented to Oscar Fernandez Mell, president of the City of Havana Provincial Assembly of the People's Government, and to Brigadier General Orlando Rodriguez Puertas, both members of the Central Committee. During the ceremony, held at Havana's Museum of the Revolution, the medal was also presented to members of the Territorial Troops Militia [MTT] and FAR officers for their outstanding participation in the formation and training of MTT members. In his closing remarks, Brigadier General Samuel Rodiles Planas, chief of the Western Army, noted the popular interest attributed by the MTT to the defense of socialist gains and the importance of the work carried out to date.

TOBACCO TRADE AGREEMENT SIGNED WITH SPAIN

FL011750 Havana Domestic Service in Spanish 1600 GMT 1 Jun 84

[Text] Madrid -- Cuban Vice Ministers Manuel Estefania Seoane, of the Ministry of Foreign Trade, and Daniel Solana Pinera, of the Ministry of the Food Industry, met in Madrid, Spain, with members of the Spanish Government. Today, Friday, Cubatobaco [Cuban Tobacco Enterprise] and Tabacalera, S.A. [the Spanish tobacco monopoly] signed an agreement providing for the continuation of the tobacco trade between Cuba and Spain.

COUNTRIES RECEIVING COOPERATION IN FISHERY FIELD

PA010441 Havana International Service in Spanish 1600 GMT 31 May 84

[Text] More than 15 countries have received or are receiving aid from Cuba in the fishery field, and 1,125 Cuban internationalist workers in this field have participated in cooperation missions in Nicaragua, Vietnam, Angola, the People's Democratic Republic of Yemen, Algeria, Mozambique, Mexico, and other countries.

In an article published by the magazine CUBA INTERNACIONAL it is reported that our country gives aid to many countries in developing fishery technology and training experts, and because of the USSR's friendly cooperation, Cuba is today a power in this field. The article also states that a total of 350 scholarship students from Africa, Asia, and Latin America have graduated in various specialties of the fishery industry from technological schools located near Cuban fishing ports.

'GRENADIER 1' SEEN AS 'PRELUDE' TO INTERVENTION

FL051422 Havana Domestic Service in Spanish 1045 GMT 5 Jun 84

[Text] Within the framework of the "Grenadier 1" maneuvers, which are being held in Honduras, units of the U.S., Honduran, and Salvadoran Armies have begun an offensive against imaginary guerrilla positions in a region located on the Salvadoran border. Participating in the operation are more than 1,000 U.S. troops and 1,200 Salvadoran troops, trained by U.S. military instructors at the regional training center for military prison guards located at Puerto Castilla. The offensive is supported by several dozen helicopters, spy planes, fighter bombers, armored vehicles, and other materiel supplied by the Pentagon. Gigantic Hercules, Galaxy, and other U.S. military combat-ready transport aircraft are based at the recently built Cucuyagua airfield, about 50 km from the border with El Salvador. According to observers, these preparations can only be described as a prelude to a massive U.S.-Honduran intervention in El Salvador.

SALVADORAN ARCHBISHOP DEMANDS RESPECT FOR RIGHTS

FL051346 Havana Domestic Service in Spanish 1045 GMT 5 Jun 84

[Text] Archbishop of San Salvador Arturo Rivera y Damas has censured existing legislation in El Salvador that serves as a basis for the persecution and arrest of many Salvadoran citizens. He demanded that the authorities respect human rights and basic civil liberties, and investigate the political repression carried out by ultrarightist groups. According to data supplied by social organizations, since October 1979 henchmen and death squads under Army protection have murdered 43,000 civilians.

EL SALVADOR'S UNGO STRESSES NEED FOR DIALOGUE

PA030407 Havana International Service in Spanish 1800 GMT 1 Jun 84

[Text] Guillermo Manuel Ungo, leader of the FDR, has said in Mexico City that there cannot be a solution in El Salvador without negotiation with the guerrilla forces. He said there are two [words indistinct] powers in the country: the guerrillas and the government. Ungo asserted that the administration of Napoleon Duarte, who will assume power today, will be the regime of the groups who have always illegally held sway over El Salvador's political destiny. He referred to the climate of repression that prevailed in the country during the latest elections and recalled that only 50 percent of the population went to the polls. The elections, Ungo noted, were decided upon and organized by the United States.

FMLN WARNS HONDURAN REGIME ON INCURSIONS

PA011435 Havana International Service in Spanish 1600 GMT 31 May 84

[Text] The FMLN has warned the Honduran regime that it will repel any attack by Honduran troops on rebel positions in Salvadoran territory. Radio Venceremos has charged that the main objective of the current "Grenadier I" maneuvers in which U.S., Honduran, and Salvadoran troops are participating, is to attack FMLN positions. Honduran troops have recently penetrated Salvadoran territory that is under the control of the guerrillas, and there have been armed clashes between the two forces on a number of occasions.

Denounces Honduran Raid

FL041314 Havana Domestic Service in Spanish 1000 GMT 4 Jun 84

[Text] About 3,000 U.S., Honduran, and Salvadoran soldiers have begun advancing on a hypothetical guerrilla objective in western Honduras. With this deployment, the second phase of the joint "Grenadier 1" maneuvers will end. The maneuvers began in early April and are considered to be a threat against Nicaragua and the Salvadoran guerrilla movement.

In the context of these maneuvers, Radio Rebelde and Radio Venceremos have denounced raids by Honduran troops on two Salvadoran departments located on the border with Honduras.

FBI SAID TRAINING SALVADORAN ARMY, POLICE UNITS

PA010444 Havana International Service in Spanish 0000 GMT 31 May 84

[Text] The Federal Bureau of Investigation, FBI, has confirmed that, on instructions from the U.S. State Department, it is offering training to Salvadoran Army and police officers in San Juan, the capital of Puerto Rico.

(Bill Baker), FBI spokesman, noted that the training is not directed at investigating the activities of the death squads or political assassinations, as declared by Salvadoran President Alvaro Magana to THE NEW YORK TIMES. In that same interview with the U.S. newspaper, Magana admitted that the Salvadoran president-elect, Jose Napoleon Duarte, will face serious problems with the Armed Forces if he decides, as promised, to investigate the crimes committed by its members.

FMLN REPORTS ATTACK ON COMMUNICATIONS CENTER

PA031951 Havana International Service in Spanish 1600 GMT 3 Jun 84

[Text] Salvadoran guerrilla groups inflicted more than 20 casualties on the Army unit that defended the important military communications center of El Pacayal in San Miguel Department. Radio Venceremos has reported that the center had special protection, including a special device connected to mine fields. Other FMLN groups ambushed forces belonging to the Cavalry Battalion in Ceiba Gacha, Usulutan Department. Salvadoran Army spokesmen have confirmed that the guerrillas have destroyed three high-tension towers, as a result of which there is no electicity in many areas of La Union, San Miguel, Usulutan, and Morazan Departments.

SALVADORAN ARMY SUFFERS 25 CASUALTIES IN CLASHES

FL011314 Havana Domestic Service in Spanish 1000 GMT 1 Jun 84

[Text] The Salvadoran military suffered 25 casualties in clashes with the FMLN this week in various parts of the country. Radio Venceremos reported that guerrillas attacked a government paratrooper battalion at a site on the Pacific coast, inflicting 10 casualties. The guerrillas also nuetralized a military offensive in San Vincente Province, inflicting 8 casualties. Another FMLN detail intercepted a cavalry battalion supported by two tanks on the coastal highway, inflicting casualties.

COMMENTARY NOTES 'CORRUPTION' IN GUATEMALAN ARMY

PA011400 Havana International Service in Spanish 2310 GMT 31 May 84

["Our America" commentary]

[Excerpts] It has been standard practice for dictatorial regimes to bestow gifts and other benefits on their military officers, for this policy serves to involve those officers in the dictatorships' actions against their people and nation. Such was the case in Cuba during the Batista dictatorship, in Nicaragua with Anastasio Somoza, and such is the present situation with the Guatemalan, Salvadoran, and Honduran Armies, which are instruments of the dominant classes.

The Guatemalan Army is currently one of the most corrupt in Central America. It is hard to find a high-ranking officer or general in that organization who is not a large landowner, who does not have considerable investments in commerce and industry, or who does not have large sums of money deposited in foreign banks. The corruption of the Guatemalan Army has a long history. In the 1950's, the officers began to seize land suitable for growing cotton or grazing cattle on the country's southwestern coast. In the 1970's, the land along the Mopan River, the most fertile soil in Peten Department, was awarded to generals and colonels in lots measuring 900 and 450 hectares, respectively. General Oscar Humberto Mejia Victores, the current dictator, has already made several million dollars by seizing the funds of the National Population Registry, an agency he closed down.

However, military corruption does not stop at the level of the presidency or the ministers, with the millions mentioned. The military institution carefully metes out its payments for corruption in accordance with rank and the officers' degree of participation in repressive actions against the people.

NICARAGUA'S BORGE: U.S. WANTS WORLD HEGEMONY

FL050120 Havana Television Service in Spanish 0000 GMT 5 Jun 84

[Text] The United States is attempting to recover world hegemony by means of force, intervention, violence, and the humiliation of poor and weak countries, Nicaraguan Commander Tomas Borge has stated. The interior minister of Nicaragua made the statement in an interview with the Mexican daily EXCELSIOR. In response to a question by the Mexican daily's special correspondent on the dangers threatening the Nicaraguan people, Borge stressed that his country's people are willing to die, in spite of their love of life.

NICARAGUA'S CENTRAL BANK PRESIDENT ON DEBT

FL052116 Havana Domestic Service in Spanish 1800 GMT 5 Jun 84

[Text] Nicaragua's Central Bank President Luis Enrique Figueroa has reiterated his government's position on the necessity of forming a combined Latin American front to face the foreign debt problem. In an interview published in BARRICADA newspaper, Figueroa said such a front would allow the coordination of action needed to create the basis for a new international economic order. Figueroa stressed that a 1.5 percent increase in interest rates by U.S. banks worsens the already difficult situation faced by Latin American nations. He added that each percentage point that is raised represents an approximate expenditure of $2.5 billion to these nations, because 75 percent of Latin America's debt was issued at a floating interest rate.

SOVIET UNION DONATES WHEAT TO NICARAGUA

PA041753 Havana International Service in Spanish 1800 GMT 3 Jun 84

[Text] According to Soviet Ambassador in Managua German Shlyapnikov, the 10,000 tons of wheat that his country has donated to Nicaragua are a demonstration of solidarity with that Central American nation. For his part, in Corinto junta member Sergio Ramirez Mercado expressed his gratitude for this friendly action to the Soviet party, government, and people.

BORGE DISCLOSES OFFENSIVE AGAINST CONTRAS

FL011226 Havana Domestic Service in Spanish 1045 GMT 1 Jun 84

[Text] Quilali, Region 1 -- Nicaragua's Minister of Interior Tomas Borge has stated that the revolution has initiated a massive military offensive against ideological manipulation and to maintain supplies [of goods] so that imperialistic plans to create conditions facilitating an intervention in Nicaragua cannot materialize. Borge also said the FSLN National Directorate has designated four of its members to take direct command over areas which are attacked most frequently, especially Regions 5 and 6. He added that during this massive offensive serious strikes against the mercenaires on Nicaraguan territory were conducted using the Sandinist People's Army [EPS] artillery, aircraft, and infantry with a minimum of casualties for our side.

During a funeral of an EPS soldier, Borge warned that mercenaries were near Quilali and might shortly attack the village. He then made a call to Quilali inhabitants to actively participate in the military and civil defense of their community under the leadership of the EPS.

FIGHTING, CASUALTIES NOTED IN NICARAGUA

Contras Attack Ocotal

PA030457 Havana International Service in Spanish 1600 GMT 2 Jun 84

[Text] The Nicaraguan Defense Ministry has confirmed that counterrevolutionary groups attacked Ocotal, Nueva Segovia Department, on Friday. In this action the aggressors sustained 16 casualties. It added that only one special mercenary group was able to reach the city in an effort to destroy Radio Segovia, but this operation failed because of the defensive action of the protection forces. In their retreat, the aggressive forces sustained six casualties in Mozonte, located 6 km from Ocotal, while six rebels were captured. The Sandinist forces sustained six casualties while two members of the Physical Protection Corps and a policeman were killed in the attack.

It was also reported that a member of the Sandinist Youth Movement and another member of the Sandinist Defense Committees were murdered by former Somozist guardsmen.

Further on Ocotal Attack

PA032027 Havana International Service in Spanish 1800 GMT 3 Jun 84

[Text] The bodies of another 15 counterrevolutionaries who were part of the force of more than 600 that attacked the city of Ocotal, capital of the Nicaraguan Department of Nueva Segovia, on Friday, have been found in a mountain range near that city. Immediately after the unsuccessful attack, in which 22 of the mercenaries fell, the Sandinist Armed Forces pursued the attackers, using artillery fire and air support.

The counterrevolutionaries damaged production centers and the Radio Segovia station in their attack on Ocotal, but the radio station resumed its broadcasts on Saturday.

Meanwhile, foremr Somozist guards operating from Honduras ambushed two trucks carrying 150 quintals of grain in the Waslala region. The mercenaries set the vehicle on fire, murdered the drivers, and destroyed the grain.

Contra Deaths, Drug Use Noted

FL052024 Havana Domestic Service in Spanish 1800 GMT 5 Jun 84

[Text] Dozens of CIA-paid mercenaries fell in combat over the last few days after Sandinist forces staged a combined attack using aircraft, artillery, and guerrilla tactics [as heard] in northern Nicaragua. The "Segovia" and "Rafaela Herrera" counter-revolutionary regional commandos then tried to regroup in the mountainous region of (Minollas), near (San Jose de Bocai), some 200 km from Managua. At (San Antonio de Quirinoya), military sources there said the combined attack by artillery-carrying helicopters, howitzers, and rocket launchers annihilated 60 former Somozist guards.

Official sources have confirmed a report that mercenaries were fighting under the influence of drugs, and offered as proof the fact that mercenaires were irrationally throwing themselves into full view of the Sandinists.

207 'Mercenaries' Killed

FL011952 Havana Domestic Service in Spanish 1700 GMT 1 Jun 84

[Text] The firm advance of the combined troops of the Sandinist People's Army in this large mountainous area of northern Jinotega Department has raised to 207 the number of mercenaries killed since the Comandante German Pomares operation began that destroyed the command post of the regional Rafael Herrera command headed by the bandit Encarnacion Valdivia, known as El Tigrillo. In the past few hours, there has been fighting on Cerro el Tigre, Cerro las Torres, Cerro la Tranca, and in (Gualaguas), Cerro el Callejon, and Santa Rosa de Tapaskun. In the fighting, more casualties have been inflicted on the enemy, and a large number of M-14, FAL, and Chinese AK rifles and terrorist claymore mines have been captured.

The German Pomares operation started on 26 May in and around San Jose de Bocay with a combined artillery, air, and infantry attack on the command post of the regional [counterrevolutionary] command, destroying it completely and forcing its members to flee and disperse in the area, where they were annihilated. It has been learned that the badly beaten forces of El Tigrillo are fleeing into the mountains of Jinotega.

DOMINICAN REPUBLIC FAILS TO UNBLOCK U.S. AID

FL051322 Havana Domestic Service in Spanish 1000 GMT 5 Jun 84

[Text] It has been reported from Santo Domingo that the Dominican Government's attempts to unblock direct U.S. economic aid have been unsuccessful. This aid has been paralyzed by the suspension of negotiations with the IMF. Dominican Government sources have reported that the officials sent to Washington by Dominican President Salvador Jorge Blanco did not get a promise from the IMF or the U.S. State Department to unblock aid.

KILLING OF MEXICAN JOURNALIST REPORTED

PA011436 Havana International Service in Spanish 1600 GMT 31 May 84

[Text] Mexican journalist Manuel Buendia of the newspaper EXCELSIOR was shot to death near his office by an unidentified gunman. Buendia had a column called Private Network, which EXCELSIOR carried on its front page. He also wrote a book entitled "The CIA in Mexico," in which he described how this U.S. espionage agency operates and gave the names of some if its employees.

President Vows Punishment

PA030230 Havana International Service in Spanish 0000 GMT 2 Jun 84

[Text] Mexican President Miguel de la Madrid has stated that every legal resource will be used to find and punish the assassins of journalist Manuel Buendia, shot to death in downtown Mexico City. After participating as an honor guard at the casket of the murdered newsman, De la Madrid condemned crime and violence and said that the response to opinions must be with theory and reason. Victoria Adato, prosecutor of the Mexican capital, said that the crime against Buendia, author of a book reporting CIA operations, will not go unpunished.

CTM Blames CIA, Rightists

PA030401 Havana International Service in Spanish 1800 GMT 2 Jun 84

[Text] The Confederation of Mexican Workers [CTM] has blamed the CIA and ultrarightist terrorist groups for the murder of journalist Manuel Buendia, who was shot four times in the back in downtown Mexico City on Wednesday. Porfirio Camarena Castro, an adviser of the CTM, which has 6 million members, said that CIA agents must be expelled from Mexico and that rightist terrorists must be punished.

The body of Javier Juarez, director of the Mexican weekly PRIMERA PLANA printed in Coatzacoalcos, was found less than 24 hours after Buendia was killed. Juarez' hands had been tied, and he had been shot in the head four times. His hands also showed bullet wounds which leads to the conclusion that he was tortured before he was killed.

U.S.-FINANCED 'SECTS' IN MEXICO PROTESTED

PA031341 Havana International Service in Spanish 0000 GMT 3 Jun 84

[Text] The Mexican Episcopal Conference has charged in Mexico City that dozens of protestant sects that are financed and directed by the United States are trying to destroy Mexico's national unity. Representatives of the conference have said that the activities these Protestant sects are carrying out, particularly in rural areas, seek to destroy national awareness and to attack the values of the Mexican people. According to Mexican clergymen, this problem is an issue affecting national sovereignty, since the purpose of these sects is to introduce new cultural values and to weaken the state.

UNION ACHIEVEMENTS REPORTED IN BOLIVIA

PA030352 Havana International Service in Spanish 1600 GMT 1 Jun 84

[Text] Approximately 200 delegates to the plenary meeting of the Bolivian Labor Federation, COB, began analyzing the agreements reached between the top union leaders and the Bolivian Government, including the suspension of interest payments on Bolivia's contracted debts with the international banks.

In the course of a special national assembly of union leaders, it was decided to lift the strike at the Bolivian Central Bank, the workers of which blocked the application of drastic measures that the government had approved, which included a 300-percent devaluation of the Bolivian currency and widespread price increases. During the meeting it was agreed to cancel the general strike that was called for an indefinite period of time and the hunger strike that more than 10,000 union members from all over the country were staging. The COB also got the government to agree to review the oil exploitation contracts held by two U.S. firms, who will have to pay regional and national taxes as of Thursday.

BOMBINGS, DAMAGE REPORTED IN CHILEAN CAPITAL

PA030356 Havana International Service in Spanish 1800 GMT 1 Jun 84

[Text] According to reports from Santiago, Chile, three explosions have seriously damaged two electric lamp posts and the front of a residence in that capital. The bombs were placed in Quinta Normal and the districts of Carrascal and La Victoria.

It was also reported that the Chilean People's Democratic Movement has urged all opposition forces to unite under a common front of struggle against the military regime.

PLAN CITED TO BAN LEFTIST GROUP IN CHILE

PA050431 Havana International Service in Spanish 1800 GMT 4 Jun 84

[Text] On Monday an unidentified armed group set fire to a bus on a street in the district of Pudahuel in Santiago, Chile. The driver said that the members of the group, who sang slogans against the fascist regime, forced the passengers to leave the vehicle and then set fire to it.

A ranking Chilean official source said that the tyranny has contemplated outlawing the People's Democratic Movement [MDP] according the Constitution and the laws, and that the request to ban it will be submitted by the rightist Independent Democratic Union [Union Democratica Independiente] to the Constitutional Tribunal this week. MDP President Manuel Almeyda spent several weeks in jail in February for promoting a strike, while Jaime Insunza, secretary general of that leftist coalition, was deported to Brazil 2 months ago.

COMMISSION FORMED TO OVERSEE TRUCE IN COLOMBIA

PA010434 Havana International Service in Spanish 1800 GMT 30 May 84

[Text] Colombian President Belisario Betancur has formed a commission to oversee the truce agreed upon by the government and the Revolutionary Armed Forces of Colombia, FARC. Gilberto Vieira and Alberto Rojas Puyo, secretary general and executive committee member of the Communist Party of Colombia, respectively, are among the 38 members of the commission. Mr. Rojas is also a member of the Colombian Peace Commission. The agreement, consisting of a cease-fire and a truce for a test period of 1 year, entered into force last Monday.

Members Sworn In

PA030328 Havana International Service in Spanish 0000 GMT 2 Jun 84

[Text] Colombia President Belisario Betancur has sworn in the 41 members appointed by the Colombian Government to form the National Commission for the Verification of the Truce agreed upon with the Revolutionary Armed Forces of Colombia [FARC]. The other two members of this commission, Manuel Marulanda Velez and Jacobo Arenas, top leaders of the rebel group, did not attend the ceremony held at the Government Palace in Bogota. FARC spokesmen said that there are still no security conditions which would permit the presence of the two guerrilla leaders in Bogota and announced that they will attend the first meeting of this commission, to be held in an isolated area of the nation which has not been disclosed.

During the ceremony, Betancur announced that the state of siege will be lifted gradually as soon as circumstances permit it. This special measure, the state of siege, Betancur stressed, is one of the easy and false solutions which must be rejected if we want to live in a safe country.

LIMA'S RADIO IMPERIAL STATION OCCUPIED

PA030348 Havana International Service in Spanish 1600 GMT 1 Jun 84

[Text] Unidentified persons occupied the offices of Lima's Radio Imperial, in Peru, and broadcast a message against the government, the police have reported. Six persons were at the studio when it was occupied. Reports note that this is the second assault on a radio station in less than 6 months.

CARICOM MINISTERS TO MEET 6 JUNE ON TRADE

FL050108 Bridgetown CANA in English 0048 GMT 5 Jun 84

[Text] Bridgetown, Barbados, June 4 (CANA) -- Caribbean Common Market (Caricom) governments will put their political will to the test Wednesday when they meet in special session in Antigua-Barbuda to negotiate a way out of a regional trade crisis complicated by conflicting domestic economic policies among members states. The June 6-7 extraordinary conference of the Caricom Council of Ministers is a direct response to a steady decline in intra-regional trade since 1982, its industrial layoffs, and factory closures. Fully half of the jobs in Caricom manufacturing are accounted for by trade among the common market's 12 member states. (Bahamas, the 13th member of the Caribbean Community, is not party to the trade arrangements).

Severe balance of payments problems in some member states, new levels of protectionism in others, and the collapse 15 months ago of the credit arrangement that supports intra-regional trade are all behind the threat to the 16 year old free trade system.

Domestic economic difficulties characterised by a chronic foreign exchange shortage have plagued Caricom's two largest countries, Guyana and Jamaica, forcing cutbacks in their regional imports. And richest member state Trinidad and Tobago, whose post,1973 petro dollar affluence had attracted a whopping 50 per cent of Caricom's non oil exports, has introduced import curbs in the face of a fall off in income from its key petroleum sector.

The Caricom council -- second only to the heads of government summit in the community's decision making system -- met in regular session last January but failed to agree on how to set about resolving the crisis, because of a lack of credible data, officials said. But the St Johns meeting will have before it a detailed Caricom Secretariat study of the issue, with specific recommendations for rejuvenating intra-regional trade flows.

Caricom sources say the attitude of Trinidad and Tobago will be crucial to the outcome of the meeting. Port of Spain's October 1983 imposition of an import licensing regime hit its main Caricom trading partners hard. Barbados, for instance, sold over 60 per cent of its manufactured goods to Trinidad between 1979 and last year. For Jamaica the percentage was higher -- 2 per cent. In Guyana's case it was 46 per cent, according to a recent regional private sector study.

But with its trade balance going negative in 1982 and 1983 for the first time in nearly a decade, and foreign reserves declining by an estimated 1.3 billion dollars U.S. in the first half of last year, the George Chambers government has adopted tough import curbs. Additionally the Trinidadians have a strong perception that the rest of Caricom is taking them for a ride -- accepting Trinidad's largesse during the oil boom years (nearly 900 million TT dollars between 1974 and 1982), refusing to buy Port of Spain's exports and at the same time dumping their own merchandise in the twin island Republic.

Trinidad Government officials speak (privately) of dismay at receiving from one tiny Windward Island an application for an import licence for 10,000 pocket radios and an application from one of the Leewards for permission to sell Port of Spain 48,000 pairs of shoes. Trinidad Trade Ministry officials simply do not believe either country has the capability of manufacturing these items in such quantity. Trinidad in fact frequently complains that some countries are persistently breaching the origin rules by passing off third country goods as made in Caricom to benefit from the common market's duty free arrangements.

The Chambers government is also annoyed about a consumption tax on canned soft drinks imports in effect in Barbados dubbing it as discriminatory against one Trinidad beverage maker who can no longer compete on that market.

Coming in for criticism too have been Jamaica's frequent currency devaluations since January 1983 which tended to make its locally produced goods cheaper than its imported Caricom counterparts. The effect of this and the country's severe balance of payments problem has been that Jamaica tended to buy less from its partners. Jamaica's imports from Caricom fell from 301 million dollars (EC) in 1981 to 247 million in 1982 and 141.5 million dollars last year. Jamaica is in fact the only Caricom state to achieve a trade surplus with Trinidad and Tobago for the last two years.

Overall imports into Trinidad and Tobago from other member states grew from 40.2 million dollars (EC) to 460.9 million dollars in the 10 years between 1973 and 1982. The average rate of increase was 31 per cent. Port of Spain's total intra-regional exports on the other hand moved more modestly from 150.4 million EC dollars to 751.1 million over the same period -- an annual average growth of 19.6 per cent.

Guyana with balance of payments constraints dating back to 1976 gives priority to imports of fuel and inputs for the productive sectors. So that in terms of purchases from its Caricom partners only Trinidad really qualifies. Fully 88 per cent of Guyana's imports from Caricom in 1982 were petroleum supplies from Trinidad.

Barbados, like most of the Windward and Leeward Islands, operates without special import controls and with its export sector growing steadily over the years, is perturbed especially about Trinidad's licensing system. Bridgetown, whose sales to Jamaica have also expanded over the last few years, is also concerned about the disadvantages to local producers of Kingston's currency devaluations. Caricom officials say the Barbados Government is willing to take corrective action to remove the impediment to canned soft drink imports.

In response to allegations of breaches of the origin rules the Caricom council is also expected to take action on the establishment of an independent committee to police the system and help investigate complaints.

The question of reviving the Caricom Multilateral Clearing Facility, the mechanism which up to April 1983 provided the credit to stimulate intra-regional trade, will be dealt with by another ministerial meeting this month. Caricom heads of governments at their last summit (July 1983) agreed to revive the 100 million dollar (U.S.) scheme but this has so far failed to materialise and finance ministers are to meet in Bridgetown June 11-12 to review the issue.

BARBADOS

ST JOHN CALLS FOR CARICOM TRADE POLICING

FL050055 Bridgetown CANA in English 0022 GMT 5 Jun 84

[Text] Bridgetown, Barbados, June 4 (CANA) -- Barbados Trade Minister Bernard St John today called for the establishment of an independent body to police and investigate breaches of Caribbean Common Market (Caricom) rules of origin. Addressing representatives of 18 companies from the Eastern Caribbean which are trying to penetrate the Barbados market, the minister said there was no doubt that the rules were being breached.

"We in Barbados hold the view that independent mechanisms should be established to provide for a regionally appointed body to survey the operation of the rules of origin as well as to investigate the specific complaints that arise from time to time as to breaches of the rules of origin." St John said that it was asking too much of the individual islands' customs and other certifying authorities to be a policeman of these rules.

He said he hoped that this week's meeting of the Caricom Council of Ministers meeting in Antigua will accept this proposal which he felt was the answer to the problem of alleged breaches of the rules of origin.

Breaches of these rules have been at the root of trading problems within the Caribbean Community -- outside of the inability of some countries to earn hard currency. At the meeting beginning in St Johns on Wednesday, ministers of the 13-nation community will look at measures intended to revitalise intra-regional trade. It has been acknowledged that any basic understandings that may arrive from this extraordinary session for improving the intra-regional trade situation will, in order to have an eventual concrete impact, need to be followed by a considerable amount of technical work and co-operation between trade officials ans specialists.

GRENADA

EX-MINISTER RADIX' HOME FIRED AT, NO ONE HURT

FLO42335 Bridgetown CANA in English 2323 GMT 4 Jun 84

[Text] St George's, Grenada, June 4 (CANA) -- Several gun shots were fired at the home of former Grenada Industrialisation Minister Kendrick Radix on Thursday night, a family spokeswoman said today. Eileen Radix, the mother of the ex-minister, said the incident took place around 11 pm while the family, including Radix, was asleep. No one was hurt.

She told CANA that a report of the incident was made to the police on Friday morning and when they came to the scene they confirmed that the marks on the house were caused by bullets. "I heard one of the shots which was apparently fired by someone from outside the house and the next morning when we got up we saw those bullet marks all over the place," she said. The ex-industrialisation minister has since left the country on business. Police could not be reached for comment.

AUGUSTINE CLAIMS SPLIT AMONG BISHOP SUPPORTERS

FLO41512 Bridgetown CANA in English 1544 GMT 3 Jun 84

[Text] St George's, Grenada, June 3 (CANA) -- Former Grenada high commissioner to London, Fennis Augustine, has claimed that supporters of slain Grenadian leader Maurice Bishop who recently launched a political party, are split over key issues. "What is happening now is that there are two distinct points of view as to how you approach rebuilding, how you approach the way forward, how you begin to build for the future," Augustine said.

Augustine and Lyden Ramdhanny, former tourism minister in the leftist People's Revolutionary Government (PRG) which Bishop headed both dissociated themselves from the recently launched Maurice Bishop Patriotic Movement (MBPM). Augustine said he supported a foundation Bishop's supporters set up to honour the work of the former prime minister, who was killed last October in an Army coup, but would continue to oppose the idea of a party being named after Bishop.

Two other colleagues of the late prime minister -- former Industrialisation Minister Kendrick Radix and ex-Agriculture Minister George Louison -- were behind the formation of the MBPM, which is still to announce whether it will contest the general elections scheduled for late this year.

Augustine, Radix, and Louison were members of the leftwing New Jewel Movement (NJM) which Bishop co-founded in 1972 and led to the March 13, 1979 coup against the Eric Gairy government.

JAMAICA

GOVERNMENT ASKS PARIS CLUB TO RESCHEDULE DEBT

FL051650 Kingston THE DAILY GLEANER in English 26 May 84 p 1

[Text] The government has approached the group of OECD countries (designated the Paris Club) for the rescheduling of 100 per cent of arrears of principal and interest outstanding at the end of last year, as part of a complete programme of debt refinancing awaiting the new standby agreement with the International Monetary Fund. The Prime Minister, the Rt Hon Edward Seaga, also told a press briefing at Jamaica House yesterday that the Government will appraoch the non-OECD Government creditors for re-scheduling of payment arrears outstanding at March 31 and debt servicing falling due in 1984/85 on terms broadly comparable to what is being sought from the Paris Club members.

Mr. Seaga said that as far as the IMF agreement was concerned the programme is to go to the Board on May 30, and everything was in place except one of the conditionalities which has to do with a line of credit arrangement. Mr Horace Barber, the Governor of the Bank of Jamaica is currently in Washington trying to put in place the final arrangements. Mr Seaga told the briefing:

"The stock of foreign debt (both direct and guaranteed) and outstanding debt servicing amounted to US$3129 million at December 31, 1983. Credits from Governments and their agencies (bilateral debt) accounted for 43.5 per cent or US$1362 million, while commercial bank credit represented 13 per cent. A major plank of the economic programme for 1984/85 is the rescheduling of the debt payments arising from these areas falling due during the current financial year.

"In June 1983, the Government reached an agreement in principle with its major commercial banks creditors for rescheduling of 100 per cent of all principal repayments falling due between July 1, 1983 and March 31, 1985. The total amount is estimated at US$161 million of which US$97 million represent the rescheduled sum for 1984/85.

"The terms under discussion with the banks is a maturity period of seven years with a 3-year grace period. The maturities which fell due since July 1, 1983 have been rolled over on an agreed basis and formal negotiations for a contractual agreement will be put in place as soon as the Standby Credit Agreement with the International Monetary Fund has been approved. The discussions have reached the stage of finalization but will not be put in place until the agreement with the IMF has been concluded.

"The Government has approached the group of OECD Countries (designated the Paris Club) for the rescheduling of 100 per cent of arrears of principal and interest outstanding at December 31, 1983 and also the principal and interest falling due during 1984/85. This would apply to all loans signed before January 1, 1984.

"The targeted amount is US$172 million and the prospective terms canvassed are maturity by 1995 with a grace period up to 1990 and concessional interest charge no higher than the interest of the original contract. Finally the Government will also approach non-OECD Government creditors for rescheduling of payment arrears outstanding at March 31, 1984 and debt servicing falling due in 1984/85 on terms broadly comparable to what is sought from Paris Club members. That represents a complete programme of debt refinancing and has been in the making for a number of months, all of which hinge upon the standby agreement with the IMF being put in place."

Mr Seaga said that unlike many countries, particularly in this region, Jamaica's debt is more than 90 per cent concessional and medium- to long-term, while countries with the most severe debt problems had debts which were 90 per cent and more short-term and commercial. "Our debt structure therefore is a very favourable one, but the servicing of the debt is the basis on which we have had to reschedule the debt because of the fall in the resources by which debt servicing would normally be made and that is the loss of bauxite resources totalling some $327 million over the last three years," he said.

OECD is the Organization for Economic Co-Operation and Development.

IMF SUSPENDS CONSIDERATION OF CREDIT APPLICATION

WA061412 Rome IPS in English 31 May 84

[Text] Kingston, May 31 (IPS) -- The International Monetary Fund has postponed consideration of Jamaica's application for a $180 million standby credit facility, the official Jamaica Information Service (JIS) announced here today. Quoting IMF Managing Director Jacques De Larosiere, JIS said the Fund had requested the Jamaican Government to submit additional papers on the 1984-85 budget that was presented a week ago by Prime Minister Edward Seaga.

Jamaica and the Fund have been negotiating a new pact to replace an extended fund facility the IMF tore up last November after Jamaica failed to satisfy economic performance tests attached to the agreement.

Talks for $180 million in credits have been dragging on since November. The government has been painstakingly instituting measures prescribed by the Fund, termed "prior conditions" for the new standby credit facility. At the behest of the lending agency, the government plans to chop the fiscal deficit by 50 percent, from 15.4 percent of gross domestic product to 8.5 percent, in one year. A devaluation of the Jamaican dollar, massive price hikes, and a credit squeeze all have flowed from the government's efforts to satisfy the Fund's demands.

An agreement with the IMF is critical to the Caribbean nation's efforts to reschedule its foreign debts. A consortium of commercial banks is awaiting the IMF seal of approval before agreeing to reschedule some $161 million in debt payments now due.

SEAGA TO VISIT LONDON 13-15 JUNE FOR TALKS

FL051333 Bridgetown CANA in English 1132 GMT 5 Jun 84

[Text] London, June 5 (CANA-REUTER) -- Jamaican Prime Minister Edward Seaga will visit Britain on June 13-15 for talks with Prime Minister Margaret Thatcher, a spokesman for the Jamaican Government said in London today. Seaga will also hold talks with banks and major corporations on Jamaica's economic position and possible investment there, the spokesman said.

FOREIGN MINISTER DISCUSSES CARICOM ISSUES

FL021759 Bridgetown CANA in English 1742 GMT 2 Jun 84

[By Rickey Singh]

[Text] Georgetown, Guyana, June 2 (CANA) -- Guyana is "ready and willing" to do everything possible to unite and strengthen the 13-member Caribbean Community (Caricom) but senses "a developing attitude" among some countries to foster "ideological conformity" rather than the "ideological pluralism" always advocated for the region's integration movement, Foreign Minister Rashleigh Jackson said.

Jackson made his comments in an interview with CANA about his government's expectations for the forthcoming Caricom summit in Nassau, Bahamas, next month.

Against speculation that should Trinidad and Tobago's Prime Minister George Chambers go through with a reported plan to stay away from the summit, the president of Guyana may quite likely follow suit. Jackson said that "as presently advised, Guyana is preparing to be represented at the highest possible level at the summit."

For Guyana, he said, the summit, which begins on July 4 and concludes three days later, "is being viewed with the utmost importance." Jackson stressed his government's commitment to the concept of ideological pluralism and for the Caribbean to be a zone of peace.

"It would seem to me that if one makes an intelligent assessment of certain policies being pursued globally and regionally, there is danger that that which is being sought, certainly in this region, and after the invasion of Grenada, is ideological conformity rather than ideological pluralism."

Jackson said he hoped that "there would be a sufficient number of states within Caricom to endorse or reiterate the position which has been taken, both at the levels of foreign ministers and heads of government, and as recently as 1982 in Ocho Rios, in favour of ideological pluralism.

He also spoke strongly in favour of Caricom states "pursuing relentlessly the goal of the Caribbean as a zone of peace" in keeping with the spirit of previous Caricom meetings. For Guyana, he explained, this must, of necessity, involve an end to all foreign military bases, "especially those set up within the context of great power rivalry."

Jackson said that "it may be that some of our colleagues, as a result of the evolution of events in Grenada, and their own analysis of their geopolitical situatedness and their geop itical requirements, have grown lukewarm about the zone of peace issue. But nothing is going to deter Guyana from pursuing this goal."

Commenting on reports of growing militarisation in the eastern Caribbean, Jackson said that this should be viewed within the context of a wider militarisation process in Central America and the Caribbean. So far as Guyana was concerned, while it was the right of every sovereign nation to adopt measures to protect its own territorial integrity and to ensure its security, any militarisation process undertaken within the context of superpower rivalry could prove dangerous for the region as a whole.

He said that Guyana was opposed to the politics of any major power that regards the use of the military or the threat of the use of the military as a legitimate weapon of foreign policy. "This is a most dangerous development and I sincerely hope that, irrespective of ideological differences, all Caricom states would find it possible to appreciate the point."

He said that the main expectations of the summit, to be preceded by meetings of Caricom's foreign ministers and Council of Ministers, "must be assessed against the backdrop of the Third Caricom Summit in Port of Spain last July and the evolution of events since the invasion of Grenada last October."

Jackson feels that the conclusions of the last Commonwealth Summit in New Delhi, with emphasis on reconciliation, should form "an important benchmark against which discussions should take place on the Grenada issue." Guyana opposed the invasion, which created sharp divisions among Caricom countries.

"There are clearly new strains and difficulties that have arisen...yet, Guyana is hopeful that the Nassau summit would confront some of the difficulties and to find ways and means of overcoming them and of resuscitating the march towards a strong and vibrant Caricom relationship."

One of two non-elected foreign ministers of the Community (the other being Trinidad and Tobago's Dr Basil Ince) Jackson who, until 1968 was permanent secretary of the Guyana Ministry of Foreign Affairs, conceded that the current "gloomy mood" over intra-Caricom trading relations was most likely to occupy a great deal of the summit's attention.

Intra-regional trade has been seriously affected over the past year, largely as a consequence of the deteriorating balance-of-payments problems of member states and the virtual collapse of the Caricom Multilateral Clearing Facility, a payments mechanism.

Guyana has been primarily responsible for the collapse of the facility, under which Barbados was owed some 65 million U.S. dollars.

Efforts to resuscitate the facility through loans from extra-regional sources have so far proved unsuccessful. But following the last meeting in Washington of the Caribbean Group for Economic Co-operation and Development, a number of Caricom governments, including that of Barbados, have been publicly stressing the importance of foreign assistance to get the facility functioning properly again so that Caricom may overcome what is currently its most "knotty" problem since the Grenada events of last October.

An extraordinary meeting of Caricom trade ministers next week in Antigua will address the intra-regional trade issue and, according to Jackson, the hope is that "they can come forward with some very concrete proposals for the heads of government conference in July."

PROSPECTS FOR TRADE WITH DOMINICA SAID EXCELLENT

FL311254 Bonaire Trans World Radio in English 1130 GMT 31 May 84

[Text] Guyana's high commissioner to the eastern Caribbean is back in Georgetown after leading a trade commission to Dominica. He said the talks went well, and he said there are excellent prospects for trade in nontraditional products. Dominica has requested technical assistance from Guyana in wood handling and preservation and alcohol production. Guyana has expressed interest in purchasing crude vegetable oil and coal from Dominica, and Guyana will supply Dominica with rice and other commodities.